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CONVERSION AGREEMENT

If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement between Lucent and the Company in accordance with its terms

Very truly yours,

WINSTAR COMMUNICATIONS INC

By

Name
Title

Confirmed and accepted as of
the date first above written

LUCENT TECHNOLOGIES INC

By

Name
Title

Exhibit C

RECYCLED

EXHIBIT C

WINSTAR COMMUNICATIONS INC
Issuer

\$2 000 000 000 Aggregate Principal Amount of
Senior Notes Due 2010

INDENTURE

Dated as of [] 2000

UNITED STATES TRUST COMPANY
OF NEW YORK
Trustee

[c/m 7725-064]

CROSS REFERENCE TABLE

<u>TIA</u> <u>Section</u>	<u>Indenture</u> <u>Section</u>
310(a) (1)	7 10
(a) (2)	7 10
(a) (3)	N A
(a) (4)	N A
(b)	7 08 7 10
(c)	N A
311(a)	7 11
(b)	7 11
(c)	N A
312(a)	2 05
(b)	10 03
(c)	10 03
313(a)	7 06
(b) (1)	N A
(b) (2)	7 06
(c)	10 02
(d)	7 06
314(a)	4 02 4 12 10 02
(b)	N A
(c) (1)	10 04
(c) (2)	10 04
(c) (3)	N A
(d)	N A
(e)	10 05
(f)	4 12
315(a)	7 01
(b)	7 05 10 02
(c)	7 01
(d)	7 01
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(a) (1) (A)	6 05
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N A means Not Applicable

Note This Cross-Reference Table shall not for any purpose be deemed to be part of the Indenture

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Exhibit 1 - Form of Security

Exhibit 2 - Form of Conversion Certificate

INDENTURE dated as of [],
 2000, between WINSTAR COMMUNICATIONS, INC., a
 Delaware corporation (the "Company") and
 UNITED STATES TRUST COMPANY OF NEW YORK a
 New York corporation (the "Trustee")

The Company is a party to the Credit Agreement (such term and other capitalized terms used herein having the meanings specified below) under which any Borrower, which is a Wholly Owned Subsidiary, may incur indebtedness guaranteed by the Company. The Credit Agreement provides that, during any Refinancing Period, Lucent may at any time and from time to time convert any such indebtedness constituting Lucent Loans into the Company's unsecured Senior Notes pursuant to Section 2.02 hereof (the "Securities"). Each party agrees as follows for the benefit of the other party and for the equal and ratable benefit of the Holders of the Securities:

ARTICLE 1

Definitions and Incorporation by Reference

SECTION 1.01 Definitions

"Acquired Indebtedness" means Indebtedness of an entity outstanding on the date on which an interest in such entity is acquired, by merger or otherwise (other than Indebtedness Incurred in connection with or to provide all or any portion of the funds or credit support utilized to consummate the transaction or series of transactions pursuant to which such entity was acquired).

"Affiliate" of any specified Person means any other Person directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing. For purposes of Sections 4.04, 4.05 and 4.07 only, "Affiliate" shall also mean any beneficial owner (other than Credit Suisse First Boston Private Equity Division and any Affiliate of Credit Suisse First Boston Private Equity Division) of Capital Stock representing 10% or more of the total voting power of the Voting Stock (on a fully diluted basis) of the Company.

or of rights or warrants to purchase such Capital Stock (whether or not currently exercisable) and any Person who would be an Affiliate of any such beneficial owner pursuant to the first sentence hereof

"Asset Disposition" means any sale, lease, transfer or other disposition (or series of related sales leases transfers or dispositions) by the Company or any Restricted Group Member including any disposition by means of a merger consolidation or similar transaction (each referred to for the purposes of this definition as a "disposition") of

(1) any shares of Capital Stock of a Restricted Group Member (other than directors' qualifying shares or shares required by applicable law to be held by a Person other than the Company or a Restricted Group Member)

(2) all or substantially all the assets of any division or line of business of the Company or any Restricted Group Member or

(3) any other assets of the Company or any Restricted Group Member outside of the ordinary course of business of the Company or such Restricted Group Member

(other than in the case of clauses (1), (2) and (3))

(A) a disposition by a Restricted Group Member to the Company or by the Company or a Restricted Group Member to a Restricted Group Member

(B) for purposes of Section 4 06 only, a disposition that constitutes a Restricted Payment permitted by Section 4 04 or a Permitted Investment

(C) for purposes of Section 4 06 only a sale of shares of Capital Stock of an Unrestricted Subsidiary for Fair Market Value,

(D) for purposes of Section 4 06 only, a disposition of Receivables in a Qualified Receivables Transaction, and

(E) a disposition of assets with a fair market value of less than \$250,000 in a single transaction or series of related transactions)

"Attributable Debt" in respect of a Sale/Leaseback Transaction means, as at the time of determination, the present value (discounted at the interest rate borne by the Securities compounded annually) of the total obligations of the lessee for rental payments during the remaining term of the lease included in such Sale/Leaseback Transaction (including any period for which such lease has been extended)

"Average Life" means as of the date of determination, with respect to any Indebtedness, the quotient obtained by dividing

(1) the sum of the products of numbers of years from the date of determination to the dates of each successive scheduled principal payment of or redemption or similar payment with respect to such Indebtedness multiplied by the amount of such payment by

(2) the sum of all such payments

"Board of Directors" means the Board of Directors of the Company or any committee thereof duly authorized to act on behalf of such Board

"Borrower" means WVF-I LLC a Delaware limited liability company, and any Replacement Borrower (as defined in the Credit Agreement) but excluding any Released Borrower (as defined in the Credit Agreement)

"Business Day" means each day which is not a Legal Holiday

"Capital Lease Obligation" means an obligation that is required to be classified and accounted for as a capital lease for financial reporting purposes in accordance with GAAP, and the amount of Indebtedness represented by such obligation shall be the capitalized amount of such obligation determined in accordance with GAAP and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be terminated by the lessee without payment of a penalty

"Capital Stock" of any Person means any and all shares, interests rights to purchase, warrants, options

participations or other equivalents of or interests in (however designated) equity of such Person including any Preferred Stock but excluding any debt securities convertible into such equity

"Change of Control" means the occurrence of any of the following events

(1) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) other than one or more Permitted Holders, is or becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act except that for purposes of this clause (1) such person shall be deemed to have "beneficial ownership" of all shares that any such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time) directly or indirectly of more than 35% of the total voting power of the Voting Stock of the Company provided however that the Permitted Holders beneficially own (as defined in Rules 13d-3 and 13d-5 under the Exchange Act) directly or indirectly, in the aggregate a lesser percentage of the total voting power of the Voting Stock of the Company than such other person and do not have the right or ability by voting power contract or otherwise to elect or designate for election a majority of the Board of Directors (for the purposes of this clause (1), such other person shall be deemed to beneficially own any Voting Stock of a Person (the "specified person") held by any other Person (the "parent entity") if such other person is the beneficial owner (as defined above in this clause (1)), directly or indirectly of more than 35% of the voting power of the Voting Stock of such parent entity and the Permitted Holders beneficially own (as defined in this proviso) directly or indirectly in the aggregate a lesser percentage of the voting power of the Voting Stock of such parent entity and do not have the right or ability by voting power contract or otherwise to elect or designate for election a majority of the board of directors of such parent entity),

(2) individuals who on the Issue Date constituted the Board of Directors (together with any new directors whose election by such Board of Directors or whose nomination for election by the shareholders of the Company was approved by a vote of 66-2/3% of the directors of the Company then still in office who were either directors on the Issue Date or whose election or nomination for election was previously so approved)

cease for any reason to constitute a majority of the Board of Directors then in office

(3) the adoption of a plan relating to the liquidation or dissolution of the Company or

(4) the merger or consolidation of the Company with or into another Person or the merger of another Person with or into the Company, or the sale of all or substantially all the assets of the Company (determined on a consolidated basis) to another Person (other than, in all such cases, a Person that is controlled by the Permitted Holders), other than a transaction following which in the case of a merger or consolidation transaction, securities that represented 100% of the Voting Stock of the Company immediately prior to such transaction (or other securities into which such securities are converted as part of such merger or consolidation transaction) constitute at least a majority of the voting power of the Voting Stock of the surviving Person in such merger or consolidation transaction

"Closing Date" means [], 2000

"Code" means the Internal Revenue Code of 1986, as amended

"Company" means the party named as such in this Indenture until a successor replaces it and thereafter, means the successor and for purposes of any provision contained herein and required by the TIA each other obligor on the indenture securities

"Consolidated Interest Expense" means for any period the total interest expense of the Company and its Restricted Group Members (including the total interest expense of unconsolidated Permitted International Joint Ventures), plus, to the extent not included in such total interest expense, and to the extent incurred by the Company or its Restricted Group Members, without duplication

(1) interest expense attributable to capital leases and the interest expense attributable to leases constituting part of a Sale/Leaseback Transaction

(2) amortization of debt discount and debt issuance cost,

(3) capitalized interest,

- (4) non-cash interest expenses,
- (5) commissions discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing,
- (6) net payments pursuant to Hedging Obligations
- (7) Preferred Stock dividends in respect of all Preferred Stock of Restricted Group Members held by Persons other than the Company or a Restricted Group Member (other than dividends payable solely in Capital Stock (other than Disqualified Stock) of the issuer of such Preferred Stock),
- (8) interest incurred in connection with Investments in discontinued operations
- (9) interest accruing on any Indebtedness of any other Person to the extent such Indebtedness is Guaranteed by (or secured by the assets of) the Company or any Restricted Group Member and
- (10) the cash contributions to any employee stock ownership plan or similar trust to the extent such contributions are used by such plan or trust to pay interest or fees to any Person (other than the Company) in connection with Indebtedness Incurred by such plan or trust

excluding however a portion of any such interest expense or other item listed in clauses (1) through (10) above to the extent included therein solely as an expense or other item of an unconsolidated Permitted International Joint Venture and equal to the Third Party Ownership Interest in such Permitted International Joint Venture

"Consolidated Leverage Ratio" as of any date of determination means the ratio of (x) the aggregate amount of Indebtedness of the Company and its Restricted Group Members as of such date of determination to (y) EBITDA for the most recent four consecutive fiscal quarters ending at least 45 days prior to such date of determination (the "Reference Period"), provided however that

- (1) if the transaction giving rise to the need to calculate the Consolidated Leverage Ratio is an Incurrence of Indebtedness the amount of such Indebtedness shall be calculated after giving effect on a pro forma

basis to such Indebtedness as if such Indebtedness had been Incurred on the first day of the Reference Period,

(2) if the Company or any Restricted Group Member has repaid, repurchased, defeased or otherwise discharged any Indebtedness that was outstanding as of the end of such fiscal quarter or if any Indebtedness is to be repaid repurchased defeased or otherwise discharged on the date of the transaction giving rise to the need to calculate the Consolidated Leverage Ratio (other than, in each case Indebtedness Incurred under any revolving credit agreement), the aggregate amount of Indebtedness shall be calculated on a pro forma basis and EBITDA shall be calculated as if the Company or such Restricted Group Member had not earned the interest income, if any actually earned during the Reference Period in respect of cash or Temporary Cash Investments used to repay, repurchase, defease or otherwise discharge such Indebtedness,

(3) if since the beginning of the Reference Period the Company or any Restricted Group Member shall have made any Asset Disposition, the EBITDA for the Reference Period shall be reduced by an amount equal to the EBITDA (if positive) directly attributable to the assets which are the subject of such Asset Disposition for the Reference Period or increased by an amount equal to the EBITDA (if negative) directly attributable thereto for the Reference Period,

(4) if since the beginning of the Reference Period the Company or any Restricted Group Member (by merger or otherwise) shall have made an Investment in any Restricted Group Member (or any Person which becomes a Restricted Group Member) or an acquisition of assets which constitutes all or substantially all of a business or one or more operating units of a business, EBITDA for the Reference Period shall be calculated after giving pro forma effect thereto (including the Incurrence of any Indebtedness) as if such Investment or acquisition occurred on the first day of the Reference Period, and

(5) if since the beginning of the Reference Period any Person that subsequently became a Restricted Group Member or was merged with or into the Company or any Restricted Group Member since the beginning of such Reference Period shall have made any Asset Disposition, any Investment or acquisition of assets that would have required an adjustment pursuant to clause (3) or

(4) above if made by the Company or a Restricted Group Member during the Reference Period, EBITDA for the Reference Period shall be calculated after giving pro forma effect thereto as if such Asset Disposition Investment or acquisition occurred on the first day of the Reference Period

"Consolidated Net Income" means, for any period, the net income (or loss) of the Company and its consolidated Restricted Group Members and (without duplication) the Company's equity in the net income (or loss) of any unconsolidated Permitted International Joint Ventures provided however that there shall not be included in such Consolidated Net Income

(1) any net income (or loss) of any Person (other than the Company) if such Person is not a Restricted Group Member except that

(A) subject to the exclusions contained in clauses (4) and (7) below, the Company's equity in the net income of any such Person for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash actually distributed by such Person during such period to the Company or a Restricted Group Member as a dividend or other distribution (subject, in the case of a dividend or other distribution paid to a Restricted Group Member, to the limitations contained in clause (3) below) and

(B) the Company's equity in a net loss of any such Person for such period shall be included in determining such Consolidated Net Income

(2) any net income (or loss) of any Person acquired by the Company a Subsidiary or a Permitted International Joint Venture in a pooling of interests transaction for any period prior to the date of such acquisition

(3) any net income (or loss) of any Restricted Group Member if such Restricted Group Member is subject to restrictions, directly or indirectly, on the payment of dividends or the making of distributions by such Restricted Group Member directly or indirectly, to the Company except that

(A) subject to the exclusions contained in clauses (4) and (7) below the Company's equity in

the net income of any such Restricted Group Member for such period shall be included in such Consolidated Net Income up to the aggregate amount of cash distributed or capable of being distributed by such Restricted Group Member during such period to the Company or another Restricted Group Member as a dividend or other distribution (subject in the case of a dividend or other distribution paid to another Restricted Group Member to the limitation contained in this clause), and

(B) the Company's equity in a net loss of any such Restricted Group Member for such period shall be included in determining such Consolidated Net Income

(4) any gain (or loss) realized upon the sale or other disposition of any assets of the Company its consolidated Subsidiaries or any other Person (including pursuant to any sale-and-leaseback arrangement) which is not sold or otherwise disposed of in the ordinary course of business and any gain (or loss) realized upon the sale or other disposition of any Capital Stock of any Person

(5) extraordinary gains or losses

(6) the cumulative effect of a change in accounting principles after the Issue Date and

(7) to the extent not otherwise excluded in accordance with GAAP the net income (or loss) of any unconsolidated Permitted International Joint Venture in an amount that corresponds to the Third Party Ownership Interest in the income of such Permitted International Joint Venture on the last day of such period

Notwithstanding the foregoing, for the purposes of Section 4.04 only, there shall be excluded from Consolidated Net Income any repurchases repayments or redemptions of Investments proceeds realized on the sale of the Investments or return of capital to the Company or a Restricted Group Member to the extent such repurchases, repayments, redemptions, proceeds or returns increase the amount of Restricted Payments permitted under such covenant pursuant to Section 4.04(a)(3)(D)

"Conversion Certificate" has the meaning specified in Section 2.02

"Conversion Date" means with respect to any Security the date on which such Security is deemed to be issued pursuant to Section 2.02. Any Security issued upon any transfer or any exchange of a Security pursuant to Section 2.06 or replacement of a Security pursuant to Section 2.07 shall be deemed to have the same Conversion Date as its predecessor Security.

"Credit Agreement" means the credit agreement dated as of May 4, 2000 among the Borrower, the Company, the lenders from time to time party thereto, The Bank of New York as collateral agent and Lucent, as administrative agent (as may be amended, supplemented or modified from time to time).

"Currency Agreement" means, in respect of a Person, any foreign exchange contract, currency swap agreement or other similar agreement designed to protect such Person against fluctuations in currency values.

"Default" means any event which is or after notice or passage of time or both would be an Event of Default.

"Depository" means The Depository Trust Company, its nominees and their respective successors.

"Discount Notes" means the Company's 14-3/4% Senior Discount Notes due 2010.

"Disqualified Stock" means with respect to any Person, any Capital Stock which by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder) or upon the happening of any event:

(1) matures or is mandatorily redeemable (other than for Capital Stock that is not Disqualified Stock) pursuant to a sinking fund obligation or otherwise,

(2) is convertible or exchangeable at the option of the holder for Indebtedness or Disqualified Stock or

(3) is mandatorily redeemable or must be purchased upon the occurrence of certain events or otherwise in whole or in part,

in each case on or prior to the ninety-first day after the Stated Maturity of the Securities provided, however that

any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to purchase or redeem such Capital Stock upon the occurrence of an "asset sale" or "change of control" occurring prior to the ninety-first day after the Stated Maturity of the Securities shall not constitute Disqualified Stock if

(1) the "asset sale" or "change of control" provisions applicable to such Capital Stock are not more favorable to the holders of such Capital Stock than the terms applicable to the Securities in Section 4.06 and Section 4.09, and

(2) any such requirement only becomes operative after compliance with such terms applicable to the Securities including the purchase of any Securities tendered pursuant thereto

"EBITDA" for any period means the sum of Consolidated Net Income plus the following to the extent deducted in calculating such Consolidated Net Income

(1) all income tax expense of the Company and its consolidated Restricted Group Members, provided, however, that a portion of the income tax expense of an unconsolidated Permitted International Joint Venture equal to the percentage of the net income (net loss) of such Permitted International Joint Venture allocated to the Company and its Restricted Subsidiaries in accordance with GAAP shall be included in EBITDA regardless of whether deducted in calculating Consolidated Net Income,

(2) Consolidated Interest Expense provided, however that the portion of Consolidated Interest Expense attributable to an unconsolidated Permitted International Joint Venture shall be included in EBITDA regardless of whether deducted in calculating Consolidated Net Income,

(3) depreciation and amortization expense of the Company and its consolidated Restricted Group Members (excluding amortization expense attributable to a prepaid operating activity item that was paid in cash in a prior period) provided, however, that a portion of the depreciation and amortization expense of an unconsolidated Permitted International Joint Venture equal to the percentage of the net income (net loss) of such Permitted International Joint Venture allocated to

the Company and its Restricted Subsidiaries in accordance with GAAP shall be included in EBITDA regardless of whether deducted in calculating Consolidated Net Income, and

(4) all other noncash charges of the Company and its consolidated Restricted Group Members (excluding any such noncash charge to the extent that it represents an accrual of or reserve for cash expenditures in any future period) provided, however, that a portion of all other noncash charges of an unconsolidated Permitted International Joint Venture equal to the percentage of the net income (net loss) of such Permitted International Joint Venture allocated to the Company and its Restricted Subsidiaries in accordance with GAAP shall be included in EBITDA regardless of whether deducted in calculating Consolidated Net Income

in each case for such period Notwithstanding the foregoing the provision for taxes based on the income or profits of and the depreciation and amortization and non-cash charges of a Restricted Group Member shall be added to Consolidated Net Income to compute EBITDA only to the extent (and in the same proportion) that the net income of such Restricted Group Members was included in calculating Consolidated Net Income and only if a corresponding amount would be permitted at the date of determination to be dividended to the Company by such Restricted Group Members without prior approval (that has not been obtained) pursuant to the terms of its charter and all agreements instruments, judgments, decrees, orders, statutes, rules and governmental regulations applicable to such Restricted Group Members or its stockholders

"Eligible Receivables" means at any time, Receivables of the Company and its Restricted Subsidiaries as evidenced on the most recent monthly consolidated balance sheet of the Company, arising in the ordinary course of business of the Company or any Restricted Subsidiary

"Euro Equivalent" means with respect to any monetary amount in a currency other than euros, at any time for determination thereof the amount of euros obtained by converting such foreign currency involved in such computation into euros at the spot rate for the purchase of euros with the applicable foreign currency as published in The Wall Street Journal in the Exchange Rates column under the heading "Currency Trading" on the date two Business Days prior to such determination

"Euro Notes" means the Company's 12-3/4% Senior Notes due 2010 denominated in Euro

"Exchange Act" means the Securities Exchange Act of 1934, as amended

"Existing Subordinated Notes" means the 10% Senior Subordinated Notes due 2008 of the Company the 15% Senior Subordinated Deferred Interest Notes due 2007 of the Company and the 11% Senior Subordinated Deferred Interest Notes due 2008 of the Company

"Fair Market Value" means, with respect to any Property (other than cash), the price that could be negotiated in an arm's-length free market transaction for cash between a willing seller and a willing buyer, neither of whom is under pressure or compulsion to complete the transaction Unless otherwise specified, (1) in the case of items with a Fair Market Value in excess of \$1 000 000 but less than or equal to \$12 5 million Fair Market Value shall be determined by the chief financial officer or treasurer of the Company acting in good faith and, if such Fair Market Value is in excess of \$2 0 million, shall be evidenced by an Officers Certificate and (2) in the case of items with a Fair Market Value in excess of \$12 5 million, Fair Market Value shall be determined by the Board of Directors acting in good faith and shall be evidenced by a resolution of the Board of Directors

"GAAP" means generally accepted accounting principles in the United States of America as in effect as of the Issue Date including those set forth in

(1) the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants

(2) statements and pronouncements of the Financial Accounting Standards Board

(3) such other statements by such other entity as approved by a significant segment of the accounting profession and

(4) the rules and regulations of the SEC governing the inclusion of financial statements (including pro forma financial statements) in periodic reports required to be filed pursuant to Section 13 of the Exchange Act including opinions and pronouncements in staff accounting bulletins and similar written state-

ments from the accounting staff of the SEC All ratios and computations based on GAAP contained in this Indenture shall be computed in conformity with GAAP

"Global Security" has the meaning specified in Section 2.01

"Guarantee" means any obligation, contingent or otherwise of any Person directly or indirectly guaranteeing any Indebtedness of any Person and any obligation, direct or indirect, contingent or otherwise, of such Person

(1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such Person (whether arising by virtue of partnership arrangements or by agreements to keep-well to purchase assets goods, securities or services to take-or-pay or to maintain financial statement conditions or otherwise), or

(2) entered into for the purpose of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part),

provided however that the term "Guarantee" shall not include endorsements for collection or deposit in the ordinary course of business The term "Guarantee" used as a verb has a corresponding meaning The term "Guarantor" shall mean any Person Guaranteeing any obligation

"Hedging Obligations" of any Person means the obligations of such Person pursuant to any Interest Rate Agreement or Currency Agreement

"Holder or "Securityholder" means the Person in whose name a Security is registered on the Registrar's books

"Incur" means issue, assume, Guarantee, incur or otherwise become liable for provided however that any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Restricted Group Member (whether by merger, consolidation acquisition or otherwise) shall be deemed to be Incurred by such Person at the time it becomes a Restricted Group Member The term "Incurrence" when used as a noun shall have a correlative meaning The accretion of principal of a non-interest bearing or other discount security shall not be deemed the Incurrence of Indebtedness

"Indebtedness" means, with respect to any Person on any date of determination (without duplication)

(1) the principal in respect of (A) indebtedness of such Person for money borrowed and (B) indebtedness evidenced by notes, debentures, bonds or other similar instruments for the payment of which such Person is responsible or liable, including, in each case, any premium on such indebtedness to the extent such premium has become due and payable,

(2) all Capital Lease Obligations of such Person and all Attributable Debt in respect of Sale/Leaseback Transactions entered into by such Person,

(3) all obligations of such Person issued or assumed as the deferred purchase price of property all conditional sale obligations of such Person and all obligations of such Person under any title retention agreement (but excluding trade accounts payable arising in the ordinary course of business)

(4) all obligations of such Person for the reimbursement of any obligor on any letter of credit, bank guarantee, banker's acceptance, surety bond or performance bond

(5) the amount of all obligations of such Person with respect to the redemption, repayment or other repurchase of any Disqualified Stock of such Person or, with respect to any Preferred Stock of any Subsidiary or Restricted Group Member of such Person, the principal amount of such Preferred Stock to be determined in accordance with the Indenture (but excluding in each case, any accrued dividends),

(6) all obligations of the type referred to in clauses (1) through (5) of other Persons and all dividends of other Persons for the payment of which in either case such Person is responsible or liable directly or indirectly, as obligor, guarantor or otherwise, including by means of any Guarantee

(7) all obligations of the type referred to in clauses (1) through (6) of other Persons secured by any Lien on any property or asset of such Person (whether or not such obligation is assumed by such Person), the amount of such obligation being deemed to be the lesser of the value of such property or assets and the amount of the obligation so secured and

(8) to the extent not otherwise included in this definition Hedging Obligations of such Person

The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above and the maximum liability upon the occurrence of the contingency giving rise to the obligation of any contingent obligations at such date, provided however that the amount of Indebtedness of any unconsolidated Permitted International Joint Venture shall be reduced by an amount that corresponds to the Third Party Ownership Interest in such Permitted International Joint Venture

Indenture means this Indenture as amended or supplemented from time to time

Interest Rate Agreement means, in respect of a Person any interest rate swap agreement, interest rate cap agreement or other financial agreement or arrangement designed to protect such Person against fluctuations in interest rates

Investee means any Person (other than the Company or any Restricted Group Member) in which the Company or any Restricted Group Member has an Investment

Investment in any Person means any direct or indirect advance, loan (other than advances to customers in the ordinary course of business that are recorded as Receivables on the balance sheet of the lender) or other extensions of credit (including by way of Guarantee or similar arrangement) or capital contribution to (by means of any transfer of cash or other property to others or any payment for property or services for the account or use of others) or any purchase or acquisition of Capital Stock, Indebtedness or other similar instruments issued by such Person

For purposes of the definitions of "Unrestricted Subsidiary", "Restricted Payment" and "Permitted International Joint Venture", and for purposes of Section 4.04 and Section 4.06

(1) "Investment" shall include the portion (proportionate to the Company's equity interest in such Subsidiary or other entity) of the Fair Market Value of the net assets of any (A) Subsidiary of the Company at the time that such Subsidiary is designated an Unrestricted Subsidiary or (B) Permitted International

Joint Venture at the time that such entity is designated an Investee provided however, that if any Permitted International Joint Venture shall cease to satisfy the definition of "Permitted International Joint Venture" and is not designated promptly as a Restricted Subsidiary or an Unrestricted Subsidiary it shall be deemed to have been designated as an Investee, provided further however that upon a redesignation of such Subsidiary as a Restricted Subsidiary or such Investee as a Permitted International Joint Venture the Company shall be deemed to continue to have a permanent "Investment" in an Unrestricted Subsidiary or Investee, as applicable, equal to an amount (if - - positive) equal to (A) the Company's "Investment" in such entity at the time of such redesignation less (B) the portion (proportionate to the Company's equity interest in such entity) of the Fair Market Value of the net assets of such entity at the time of such redesignation and

(2) any property transferred to or from an Unrestricted Subsidiary or Investee shall be valued at its Fair Market Value at the time of such transfer

"Issue Date" means April 10 2000

"Issue Date 2008 Senior Notes" means the Company's 12-1/2% Senior Notes due 2008

"Issue Date Discount Notes" means Discount Notes issued on the Issue Date

"Issue Date Euro Notes" means Euro Notes issued on the Issue Date

"Issue Date Initial Senior Notes" means "Initial Securities" as such term is defined in the indenture governing the Issue Date Senior Notes dated as of the Issue Date, between the Company and United States Trust Company of New York as trustee

"Issue Date Senior Notes" means the Company's 12-3/4% Senior Notes due 2010

"Lien" means any mortgage pledge security interest, encumbrance lien or charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof)

"Lucent" means Lucent Technologies Inc

"Lucent Loans" has the meaning specified in the Credit Agreement

"Marketable Securities" means, with respect to any Asset Disposition, any readily marketable equity securities of a corporation whose primary business is the Telecommunications Business that are (i) traded on the New York Stock Exchange, the American Stock Exchange or the Nasdaq National Market and (ii) issued by a corporation having a total equity market capitalization of not less than \$250.0 million provided however that the excess of (A) the aggregate amount of securities of any one such corporation held by the Company and any Restricted Group Member over (B) 20 times the average daily trading volume of such securities during the 20 immediately preceding trading days shall be deemed not to be Marketable Securities as determined on the date of the contract relating to such Asset Disposition

"Net Available Cash" from an Asset Disposition means cash payments received therefrom (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise and proceeds from the sale or other disposition of any securities received as consideration but only as and when received but excluding any other consideration received in the form of assumption by the acquiring Person of Indebtedness or other obligations relating to such properties or assets or received in any other noncash form) in each case net of

(1) all legal, title and recording tax expenses, commissions and other fees and expenses incurred, and all Federal, state, provincial, foreign and local taxes required to be accrued as a liability under GAAP as a consequence of such Asset Disposition

(2) all payments made on any Indebtedness which is secured by any assets subject to such Asset Disposition, in accordance with the terms of any Lien upon or other security agreement of any kind with respect to such assets or which must by its terms or in order to obtain a necessary consent to such Asset Disposition or by applicable law, be repaid out of the proceeds from such Asset Disposition,

(3) all distributions and other payments required to be made to minority interest holders in Restricted Group Members as a result of such Asset Disposition and

(4) the deduction of appropriate amounts provided by the seller as a reserve in accordance with GAAP, against any liabilities associated with the property or other assets disposed in such Asset Disposition and retained by the Company or any Restricted Group Member after such Asset Disposition

"Net Cash Proceeds", with respect to any issuance or sale of Capital Stock, means the cash proceeds of such issuance or sale net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees actually incurred in connection with such issuance or sale and net of taxes paid or payable as a result thereof

"Office com" means Office com Inc and its successors

"Officer" means the Chairman of the Board the President, any Vice President the Treasurer or the Secretary of the Company

"Officers' Certificate" means a certificate signed by two Officers

"Opinion of Counsel" means a written opinion from legal counsel who is acceptable to the Trustee The counsel may be an employee of or counsel to the Company or the Trustee

"Permitted Credit Facility" means one or more credit agreements, loan agreements, lease agreements, commercial paper facilities Receivables facilities or similar facilities, secured or unsecured, providing for revolving credit loans, term loans, sales of receivables or letters of credit, entered into from time to time by the Company or its Restricted Group Members, and including any related notes Guarantees collateral documents instruments and agreements executed in connection therewith, as the same may be amended, supplemented, modified, restated or replaced from time to time A Vendor Financing that otherwise satisfies the foregoing definition will also constitute a Permitted Credit Facility

"Permitted Holders" means William J Rouhana Jr (or in the event of his incompetence or death, his estate heirs, executor administrator, committee or other personal representative (collectively, "heirs")) or any Person controlled directly or indirectly, by William J Rouhana Jr or his heirs

"Permitted International Joint Venture" means any entity (other than a Subsidiary of the Company) all or substantially all of whose business is outside the U S and that (i) based on a determination of the Board of Directors, the Company has directly or indirectly the requisite control over such entity to prevent it from incurring Indebtedness, or taking any other action at any time, in contravention of any of the provisions of this Indenture that apply to a Permitted International Joint Venture, (ii) the Company or a Restricted Subsidiary owns at least 33 1/3% of the Voting Stock of such entity and the Third Party Ownership Interest of such entity does not exceed 66 2/3%, (iii) such entity is engaged primarily in aspects of the Telecommunications Business directly related to the Company's business and (iv) the Company has designated such entity as a Permitted International Joint Venture pursuant to a resolution of the Board of Directors

Any such designation by the Board of Directors shall be evidenced to the Trustee by promptly filing with the Trustee a copy of the resolution of the Board of Directors giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing provisions. The Board of Directors may designate any Permitted International Joint Venture to no longer be a Permitted International Joint Venture and to be treated as an Investee provided, however, that such designation would be permitted under Section 4.04. Any such designation by the Board of Directors shall be evidenced to the Trustee by promptly filing with the Trustee a copy of the resolution of the Board of Directors giving effect to such designation and an Officers' Certificate certifying that such designation complied with the foregoing provisions

"Permitted Investment" means an Investment by the Company or any Restricted Group Member in

(1) the Company, a Restricted Group Member or a Person that will upon the making of such Investment, become a Restricted Group Member provided, however that the primary business of such Restricted Group Member is the Telecommunications Business,

(2) another Person if as a result of such Investment such other Person is merged or consolidated with or into, or transfers or conveys all or substantially all its assets to the Company or a Restricted Group Member, provided, however, that such Person's primary business is the Telecommunications Business,

(3) cash and Temporary Cash Investments

(4) Receivables owing to the Company or any Restricted Group Member,

(5) Capital Stock of customers of the Company or any Restricted Group Member received in exchange for products and services provided in the ordinary course of business provided however, that the value of such products and services (calculated as the consideration received by the Company or such Restricted Group Member for such products and services in a comparable arm's-length transaction) shall not exceed \$50 0 million during each successive 12-month period following the Issue Date,

(6) payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the ordinary course of business,

(7) loans or advances to employees made in the ordinary course of business consistent with past practices of the Company or such Restricted Group Member or as part of a compensation scheme approved by the Board of Directors in an amount not to exceed \$5 0 million at any one time outstanding

(8) stock obligations or securities received in settlement of debts created in the ordinary course of business and owing to the Company or any Restricted Group Member or in satisfaction of judgments or settlement of claims or disputes,

(9) shares of Capital Stock of an unrestricted Subsidiary provided however, that such shares are being acquired from the Company or a Restricted Group Member and

(10) any Person to the extent such Investment represents the noncash portion (other than Marketable Securities) of the consideration received for an Asset Disposition as permitted pursuant to Section 4 06

"Permitted Liens" means, with respect to any Person

(1) pledges or deposits by such Person under worker s compensation laws unemployment insurance laws or similar legislation or good faith deposits in connection with bids tenders, contracts (other than for the payment of Indebtedness) or leases to which such Person is a party, or deposits to secure public or statutory obligations of such Person or deposits of cash or United States government bonds to secure surety or appeal bonds to which such Person is a party, or deposits as security for contested taxes or import duties or for the payment of rent or similar operational requirements, in each case incurred in the ordinary course of business,

(2) Liens imposed by law such as carriers' warehousemen's and mechanics' Liens in each case for sums not yet due or being contested in good faith by appropriate proceedings or other Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review and Liens arising solely by virtue of any statutory or common law provision relating to banker's Liens rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depository institution, provided, however, that (A) such deposit account is not a dedicated cash collateral account and is not subject to restrictions against access by the Company in excess of those set forth by regulations promulgated by the Federal Reserve Board and (B) such deposit account is not intended by the Company or any Restricted Group Member to provide collateral to the depository institution,

(3) Liens for taxes not yet subject to penalties for nonpayment or which are being contested in good faith and by appropriate proceedings promptly instituted and diligently concluded, provided, however, that such Person has created a reserve or other appropriate provision therefor as may be required by GAAP

(4) Liens in favor of issuers of letters of credit bank guarantees bankers' acceptances, surety bonds, bid bonds and performance bonds issued pursuant to the request of and for the account of such Person in the ordinary course of its business, provided, however

that the Indebtedness in respect thereto is permitted to be Incurred by Section 4 03,

(5) minor survey exceptions, minor encumbrances easements or reservations of, or rights of others for, licenses rights-of-way, sewers, electric lines telegraph and telephone lines and other similar purposes or zoning or other restrictions as to the use of real property or Liens incidental to the conduct of the business of such Person or to the ownership of its properties which were not Incurred in connection with Indebtedness and which do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person,

(6) Liens to secure Indebtedness permitted under the provisions described in Section 4 03(b) (1) Section 4 03(b) (5) Section 4 03(b) (8) (but with respect to Section 4 03(b) (8) only to the extent such Indebtedness constitutes Refinancing Indebtedness of Purchase Money Indebtedness) and Section 4 03(b) (10), provided however that any such Liens securing Indebtedness (other than Indebtedness pursuant to a Permitted Credit Facility) described in Section 4 03(b) (5) (or Refinancing Indebtedness thereof) may not extend to any property owned by the Company or any of the Restricted Group Members other than the property acquired with the proceeds from Indebtedness Incurred under such Section 4 03(b) (5) and the proceeds therefrom

(7) Liens existing on the Issue Date

(8) Liens on property or shares of Capital Stock of another Person at the time such other Person becomes a Subsidiary of such Person or a Permitted International Joint Venture, provided however, that the Liens may not extend to any other property owned by such Person or any of its Restricted Group Members (other than assets and property affixed or appurtenant thereto)

(9) Liens on property at the time such Person or any of its Subsidiaries or Permitted International Joint Ventures acquires the property, including any acquisition by means of a merger or consolidation with or into such Person or a Subsidiary of such Person, provided, however, that the Liens may not extend to any other property owned by such Person or any of its

Restricted Group Members (other than assets and property affixed or appurtenant thereto)

(10) Liens in favor of the Company or any Restricted Group Member on any property other than property of the Company

(11) Liens securing Hedging Obligations consisting of (A) Interest Rate Agreements or Currency Agreements directly related to Indebtedness that is, and is permitted to be incurred under this Indenture or (B) Currency Agreements used to hedge non-U S dollar currency exposures of the Company and its Restricted Group Members, entered into in accordance with customary industry practices for companies in the Telecommunications Business with international operations and not for purposes of speculation, in each case secured by a Lien on the same property securing such Hedging Obligations

(12) Liens incurred in the ordinary course of business of the Company or any of its Restricted Group Members with respect to obligations that do not exceed \$10 0 million at any one time outstanding, provided, however that

(A) such obligations are not Incurred in connection with the borrowing of money, and

(B) such Liens do not in the aggregate materially detract from the value of the property or materially impair the use thereof in the operation of business by the Company or such Restricted Group Member

(13) Liens on the Capital Stock of an Unrestricted Subsidiary and

(14) Liens to secure any Refinancing (or successive Refinancings) as a whole or in part, of any Indebtedness secured by any Lien referred to in the foregoing clauses (7) (8) or (9) provided however that

(A) such new Lien shall be limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (plus improvements and accessions to, such

property or proceeds or distributions thereof)
and

(B) the Indebtedness secured by such Lien at such time is not increased to any amount greater than the sum of (x) the outstanding principal amount or if greater, committed amount of the Indebtedness described under clauses (7), (8) or (9) at the time the original Lien became a Permitted Lien and (y) an amount necessary to pay any fees and expenses, including premiums and defeasance costs, related to such refinancing, refunding extension renewal or replacement

For purposes of this definition the term "Indebtedness" shall be deemed to include interest, fees and other amounts due on such Indebtedness

"Person" means any individual, corporation partnership limited liability company, joint venture, association, joint-stock company trust unincorporated organization government or any agency or political subdivision thereof or any other entity

"Preferred Stock", as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends or distributions or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person over shares of Capital Stock of any other class of such Person

"Preferred Stock Exchange Offer" means an offer by the Company to exchange any and all of its Series C Preferred Stock (or the exchange debentures issuable in respect of such Series C Preferred Stock in accordance with its terms) for Discount Notes and Issue Date Senior Notes

"principal" of a Security means the principal of the Security plus the premium if any payable on the Security which is due or overdue or is to become due at the relevant time

"Property" means with respect to any Person any interest of such Person in any kind of property or asset whether real, personal or mixed or tangible or intangible, including Capital Stock in, and other securities of, any other Person For purposes of any calculation required pursuant to this Indenture the value of any Property shall be its Fair Market Value

"Public Equity Offering" means an underwritten primary public offering of common stock of the Company pursuant to an effective registration statement under the Securities Act

"Purchase Money Indebtedness" means Indebtedness (including Capital Lease Obligations, Acquired Indebtedness, mortgage financings and purchase money obligations) Incurred for the purpose of financing all or any part of the cost of construction, installation, acquisition, lease, development or improvement by the Company or any Restricted Group Member of any Telecommunications Assets of the Company or any Restricted Group Member including any related note, Guarantees collateral documents instruments and agreements executed in connection therewith, as the same may be amended supplemented modified or restated from time to time

"Qualified Receivables Transaction" means an Incurrence of Indebtedness of the Company or any Restricted Group Member pursuant to either (1) credit facilities secured by Receivables or (2) Receivables purchase facilities

"Receivables" means receivables, chattel paper instruments, documents or intangibles evidencing or relating to the right to payment of money and proceeds and products thereof in each case generated in the ordinary course of business

"Refinance" means, in respect of any Indebtedness to refinance extend renew refund repay prepay, redeem defease or retire, or to issue other Indebtedness in exchange or replacement for such indebtedness "Refinanced" and "Refinancing" shall have correlative meanings

"Refinancing Indebtedness" means Indebtedness that Refinances any Indebtedness of the Company or any Restricted Group Member existing on the Issue Date or Incurred in compliance with this Indenture, including Indebtedness that Refinances Refinancing Indebtedness, provided, however, that

(1) such Refinancing Indebtedness has a Stated Maturity no earlier than the Stated Maturity of the Indebtedness being Refinanced

(2) such Refinancing Indebtedness has an Average Life at the time such Refinancing Indebtedness is

Incurred that is equal to or greater than the Average Life of the Indebtedness being Refinanced, and

(3) such Refinancing Indebtedness has an aggregate principal amount (or if Incurred with original issue discount an aggregate issue price) that is equal to or less than the aggregate principal amount (or if Incurred with original issue discount the aggregate accreted value) then outstanding (plus fees and expenses including any premium and defeasance costs) under the Indebtedness being Refinanced,

provided further, however, that Refinancing Indebtedness shall not include (A) Indebtedness of a Subsidiary or a Permitted International Joint Venture that Refinances Indebtedness of the Company or (B) Indebtedness of the Company or a Restricted Group Member that Refinances Indebtedness of an Unrestricted Subsidiary

Refinancing Period has the meaning specified in the Credit Agreement

"Restricted Group Member" means collectively each Restricted Subsidiary and each Permitted International Joint Venture

"Restricted Payment" with respect to any Person means

(1) the declaration or payment of any dividends or any other distributions of any sort in respect of its Capital Stock (including any payment in connection with any merger or consolidation involving such Person) or similar payment to the direct or indirect holders of its Capital Stock (other than dividends or distributions payable solely in its Capital Stock (other than Disqualified Stock) rights to purchase additional Capital Stock (other than Disqualified Stock) for cash and dividends or distributions payable solely to the Company or a Restricted Group Member, and other than ~~pro rata~~ dividends or other distributions made by a Restricted Group Member that is not a Wholly Owned Subsidiary to minority stockholders or holders of Third Party Ownership Interests (or owners of an equivalent interest in the case of a Restricted Group Member that is an entity other than a corporation) or holders of Third Party Ownership Interests),

(2) the purchase, redemption or other acquisition or retirement for value of any Capital Stock of the

Company or any direct or indirect parent of the Company held by any Person or of any Capital Stock of a Restricted Group Member held by any Affiliate of the Company (other than a Restricted Group Member) including the exercise of any option to exchange any Capital Stock (other than into Capital Stock of the Company that is not Disqualified Stock),

(3) the purchase repurchase redemption, defeasance or other acquisition or retirement for value, prior to scheduled maturity, scheduled repayment or scheduled sinking fund payment of any Subordinated Obligations of such Person (other than the purchase repurchase or other acquisition of Subordinated Obligations purchased in anticipation of satisfying a sinking fund obligation, principal installment or final maturity in each case due within one year of the date of such purchase, repurchase or other acquisition) or

(4) the making of any Investment (other than a Permitted Investment) in any Person

"Restricted Subsidiary" means any Subsidiary of the Company that is not an Unrestricted Subsidiary

"Sale/Leaseback Transaction" means an arrangement relating to property owned by the Company or a Restricted Group Member on the Issue Date or thereafter acquired by the Company or a Restricted Subsidiary whereby the Company or a Restricted Group Member transfers such property to a Person (other than the Company or a Restricted Group Member) and the Company or a Restricted Group Member leases it from such Person

"SEC" means the Securities and Exchange Commission

"Secured Indebtedness" means any Indebtedness of the Company secured by a Lien on property of the Company or any Restricted Group Member

"Securities Custodian" means the custodian with respect to a Global Security (as appointed by the Depository) or any successor Person thereto and shall initially be the Trustee

"Senior Indebtedness" means

(1) Indebtedness of the Company whether outstanding on the Issue Date or thereafter Incurred and

(2) accrued and unpaid interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to the Company to the extent postfiling interest is allowed in such proceeding) in respect of
(A) indebtedness of the Company for money borrowed and
(B) indebtedness evidenced by notes, debentures, bonds or other similar instruments for the payment of which the Company is responsible or liable

unless, in the case of clauses (1) and (2), in the instrument creating or evidencing the same or pursuant to which the same is outstanding it is provided that such obligations are subordinate in right of payment to the Securities, provided however, that Senior Indebtedness shall not include

(1) any obligation of the Company to any Subsidiary or Permitted International Joint Venture,

(2) any liability for Federal, state, local or other taxes owed or owing by the Company,

(3) any accounts payable or other liability to trade creditors arising in the ordinary course of business (including guarantees thereof or instruments evidencing such liabilities)

(4) any Indebtedness of the Company (and any accrued and unpaid interest in respect thereof) which is subordinate or junior in any respect to any other Indebtedness or other obligation of the Company, or

(5) that portion of any Indebtedness which at the time of Incurrence is Incurred in violation of this Indenture

"Securities" means the Securities issued under this Indenture

"Series C Preferred Stock" means the Series C 14-1/4% Senior Cumulative Exchangeable Preferred Stock due 2007 of the Company issued and outstanding on the Issue Date

"Significant Restricted Group Member" means any Restricted Group Member that would be a "Significant Subsidiary" of the Company within the meaning of Rule 1-02 under Regulation S-X promulgated by the SEC, assuming for the purpose of this definition that a Permitted

International Joint Venture that is not a Subsidiary of the Company is a Subsidiary of the Company

"Stated Maturity" means, with respect to any security the date specified in such security as the fixed date on which the final payment of principal of such security is due and payable including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency beyond the control of the issuer unless such contingency has occurred)

"Subordinated Obligation" means any Indebtedness of the Company (whether outstanding on the Issue Date or thereafter Incurred) which is subordinate or junior in right of payment to the Securities pursuant to a written agreement to that effect

"Subsidiary" means with respect to any Person any corporation association partnership or other business entity of which more than 50% of the total voting power of shares of Voting Stock is at the time owned or controlled directly or indirectly by

- (1) such Person
- (2) such Person and one or more Subsidiaries of such Person or
- (3) one or more Subsidiaries of such Person

"Telecommunications Assets" means (a) any Property (other than cash, cash equivalents and securities) used in the Telecommunications Business, (b) for purposes of Section 4 03 Section 4 04 and Section 4 10 only, Capital Stock of any Person, or (c) for all other purposes of this Indenture, Capital Stock of a Restricted Group Member or a Person that becomes a Restricted Group Member as a result of the acquisition of such Capital Stock by the Company or another Restricted Group Member, in each case acquired from any Person (other than a Subsidiary of the Company or a Permitted International Joint Venture) in a bona fide transaction, provided, however, that, in the case of clause (b) or (c) such Person is primarily engaged in the Telecommunications Business

"Telecommunications Business" means the business of (i) transmitting or providing services relating to the transmission of, voice, video or data through transmission

facilities (ii) constructing creating, developing or producing communications networks, related network transmission equipment, software, devices and content for use in a communications or content distribution business (iii) data center management computer and application outsourcing, computer systems integration, reengineering of computer software, information services and web hosting and any services related thereto or (iv) evaluating participating or pursuing any other activity or opportunity that is primarily related to those identified in (i) (ii) or (iii) above or in furtherance thereof, including, without limitation, any business conducted by the Company or any Restricted Group Member on the Issue Date, provided, however, that the determination of what constitutes a Telecommunications Business shall be made in good faith by the Board of Directors

"Temporary Cash Investments" means any of the following

(1) any investment in direct obligations of the United States of America or any agency thereof or obligations guaranteed by the United States of America or any agency thereof

(2) investments in time deposit accounts, certificates of deposit, money market deposits bankers' acceptances and repurchase obligations maturing within 365 days of the date of acquisition thereof issued by a bank or trust company which is organized under the laws of the United States of America any state thereof or any foreign country recognized by the United States, and which bank or trust company has capital, surplus and undivided profits aggregating in excess of \$500,000 000 (or the foreign currency equivalent thereof) and has outstanding debt which is rated "A" (or such similar equivalent rating) or higher by at least one nationally recognized statistical rating organization (as defined in Rule 436 under the Securities Act) or any money-market fund sponsored by a registered broker dealer or mutual fund distributor

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) above entered into with a bank meeting the qualifications described in clause (2) above,

(4) investments in commercial paper, maturing not more than 270 days after the date of acquisition issued by a corporation (other than an Affiliate of the Company) organized and in existence under the laws of the United States of America any state thereof or any foreign country recognized by the United States of America with a rating at the time as of which any investment therein is made of "P-1" (or higher) according to Moody's Investors Service Inc or "A-1" (or higher) according to Standard and Poor's Ratings Group

(5) investments in securities with maturities of one year or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least "A" by Standard & Poor's Ratings Group or "A" by Moody's Investors Service Inc

(6) auction rate preferred stocks of any corporation maturing within 90 days after the date of acquisition rated at least "A" by Standard and Poor's Ratings Group and

(7) any investment in a registered investment company investing exclusively in investments of the types described in clauses (1) through (6) above

"Third Party Ownership Interest" in a Permitted International Joint Venture means a percentage equal to the difference between 100. and the percentage of the net income (net loss) of such Permitted International Joint Venture allocated to the Company and its Restricted Subsidiaries in accordance with GAAP

"TIA" means the Trust Indenture Act of 1939 (15 U.S.C. §§ 77aaa-77bbb) as in effect on the date of this Indenture

"Trustee" means the party named as such in this Indenture until a successor replaces it and, thereafter, means the successor

"Trust Officer" means the Chairman of the Board the President or any other officer or assistant officer of the Trustee assigned by the Trustee to administer its corporate trust matters

"Uniform Commercial Code" means the New York Uniform Commercial Code as in effect from time to time

"Unrestricted Subsidiary" means

(1) Office com

(2) Winstar Credit Corp ,

(3) any Subsidiary of the Company that at the time of determination shall be designated an Unrestricted Subsidiary by the Board of Directors in the manner provided below, and

(4) any Subsidiary of an Unrestricted Subsidiary

The Board of Directors may designate any Subsidiary of the Company (including any newly acquired or newly formed Subsidiary) to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Capital Stock or Indebtedness of, or holds any Lien on any property of the Company (other than Capital Stock (other than Disqualified Stock) of the Company contributed to such Unrestricted Subsidiary and promptly transferred by such Unrestricted Subsidiary in exchange for Telecommunications Assets) or any other Subsidiary of the Company that is not a Subsidiary of the Subsidiary to be so designated or is the obligor on any Indebtedness a default on which would result in a default on any Indebtedness of the Company or a Restricted Subsidiary provided, however, that either (A) the Subsidiary to be so designated has total assets of \$10,000 or less or (B) if such Subsidiary has assets greater than \$10,000 such designation would be permitted under Section 4.04

The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary, provided, however, that immediately after giving effect to such designation (A) the Consolidated Leverage Ratio would be no worse than the Consolidated Leverage Ratio determined immediately prior to such designation, (B) all Liens and Indebtedness of such Unrestricted Subsidiary outstanding immediately following such designation would if Incurred at such time, have been permitted to be Incurred at such time for all purposes of this Indenture and (C) no Default shall have occurred and be continuing Any such designation by the Board of Directors shall be evidenced to the Trustee by promptly filing with the Trustee a copy of the resolution of the Board of Directors giving effect to such designation and

an Officers' Certificate certifying that such designation complied with the foregoing provisions

"U S Dollar Equivalent" means with respect to any monetary amount in a currency other than U S dollars, at any time for determination thereof, the amount of U S dollars obtained by converting such foreign currency involved in such computation into U S dollars at the spot rate for the purchase of U S dollars with the applicable foreign currency as published in The Wall Street Journal in the "Exchange Rates" column under the heading "Currency Trading" on the date two Business Days prior to such determination

Except as described in Section 4 03, whenever it is necessary to determine whether the Company has complied with any covenant in this Indenture or a Default has occurred and an amount is expressed in a currency other than U S dollars such amount will be treated as the U S Dollar Equivalent determined as of the date such amount is initially determined in such currency

"U S. Government Obligations" means direct obligations (or certificates representing an ownership interest in such obligations) of the United States of America (including any agency or instrumentality thereof) for the payment of which the full faith and credit of the United States of America is pledged and which are not callable at the issuer's option

"Vendor Financing" means any financing or other credit or deferred payment arrangement provided by a supplier manufacturer or lessor of Telecommunications Assets or any Affiliate thereof

"Voting Stock" of a Person means all classes of Capital Stock or other interests (including partnership interests) of such Person then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof

"Wholly Owned Subsidiary" means a Restricted Subsidiary all the Capital Stock of which (other than directors' qualifying shares) is owned by the Company or one or more Wholly Owned Subsidiaries

SECTION 1 02 Other Definitions

<u>Term</u>	<u>Defined in Section</u>
"Affiliate Transaction"	4 07
"Agent Members"	2 13
"Appendix"	2 01
"Bankruptcy Law"	6 01
"Change of Control Offer"	4 09(b)
"covenant defeasance option"	8 01(b)
"Custodian"	6 01
"Event of Default"	6 01
"Initial Lien"	4 10
"legal defeasance option"	8 01(b)
"Legal Holiday"	10 07
"Offer"	4 06(b)
"Offer Amount"	4 06(c) (2)
"Offer Period"	4 06(c) (2)
"Paying Agent"	2 03
"Purchase Date"	4 06(c) (1)
"Registrar"	2 03
"Securities Authentication Order"	2 02
"Successor Company"	5 01

SECTION 1 03 Incorporation by Reference of Trust Indenture Act This Indenture is subject to the mandatory provisions of the TIA which are incorporated by reference in and made a part of this Indenture. The following TIA terms have the following meanings

"Commission" means the SEC,

"indenture securities" means the Securities,

"indenture security holder" means a Securityholder,

"indenture to be qualified" means this Indenture,

"indenture trustee" or "institutional trustee" means the Trustee and

"obligor" on the indenture securities means the Company and any other obligor on the indenture securities

All other TIA terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by SEC rule have the meanings assigned to them by such definitions

SECTION 1 04 Rules of Construction Unless the context otherwise requires

- (1) a term has the meaning assigned to it,
- (2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP,
- (3) "or" is not exclusive
- (4) "including" means including without limitation,
- (5) words in the singular include the plural and words in the plural include the singular,
- (6) unsecured Indebtedness shall not be deemed to be subordinate or junior to Secured Indebtedness merely by virtue of its nature as unsecured Indebtedness
- (7) the principal amount of any noninterest bearing or other discount security at any date shall be the principal amount thereof that would be shown on a balance sheet of the issuer dated such date prepared in accordance with GAAP
- (8) the principal amount of any Preferred Stock shall be (i) the maximum liquidation value of such Preferred Stock or (ii) the maximum mandatory redemption or mandatory repurchase price with respect to such Preferred Stock whichever is greater and
- (9) all references to the date the Securities were originally issued shall refer to the Issue Date

ARTICLE 2

The Securities

SECTION 2 01 Form and Dating The Securities and the Trustee's certificate of authentication shall be substantially in the form of Exhibit 1 attached hereto, which is hereby incorporated in and expressly made a part of this Indenture. The Securities may have notations legends or endorsements required by law, stock exchange rule, agreements to which the Company is subject, if any, or usage (provided that any such notation, legend or endorsement is in a form acceptable to the Company). Each Security shall be dated the date of its authentication.

Holders of Securities may request Securities to be issued in the form of definitive, fully registered certificates or as one or more definitive, fully registered permanent global Securities without interest coupons with the global securities legend and restricted securities legend set forth in Exhibit 1 hereto (each, a "Global Security"). Global Securities shall be deposited on behalf of the purchasers of the Securities represented thereby with the Trustee, at its principal corporate trust office as custodian for the Depository (or with such other custodian as the Depository may direct), and registered in the name of the Depository or a nominee of the Depository, duly executed by the Company and authenticated by the Trustee as provided in Section 2.02, and shall be delivered by the Trustee to such Depository or pursuant to such Depository's instructions or held by the Trustee as custodian for the Depository. The aggregate principal amount of the Global Securities may from time to time be increased or decreased by adjustments made on the records of the Trustee and the Depository or its nominee as hereinafter provided.

SECTION 2.02 Execution, Authentication and Issuance of Securities. The provisions of this Section 2.02 shall apply to the execution, authentication and issuance of the Securities.

Two Officers shall sign the Securities for the Company by manual or facsimile signature on the Closing Date and deliver such signed Securities to the Trustee on such date.

If an Officer whose signature is on a Security no longer holds that office at the time the Trustee authenticates the Security, the Security shall be valid nevertheless.

A Security shall not be valid until an authorized signatory of the Trustee manually signs the certificate of authentication on the Security. The signature shall be conclusive evidence that the Security has been authenticated under this Indenture.

On the Closing Date, the Company shall deliver to the Trustee an irrevocable written instruction (the "Securities Authentication Order") signed by two Officers of the Company (or by an Officer and either an Assistant Treasurer or an Assistant Secretary of the Company) which directs the Trustee to authenticate and deliver to, or as directed by, Lucent up to \$2,000,000,000 aggregate principal amount of Securities at such times and in such principal

amounts as shall be specified by Lucent in one or more Conversion Certificates (as defined below) delivered to the Trustee on any Business Day after the Closing Date

As used herein, "Conversion Certificate" means a writing signed by an officer of Lucent substantially in the form of Exhibit 2 attached hereto and specifying the information contemplated thereby. Lucent may in its sole discretion elect to convert into Securities, from time to time, all or any portion of the Lucent Loans outstanding under the Credit Agreement, by delivering a Conversion Certificate to the Trustee provided, that the aggregate principal amount of all Securities authenticated and delivered by the Trustee under this Indenture shall not exceed \$2,000,000,000, except as provided in Section 2 07

The Trustee shall rely solely on the receipt of a Conversion Certificate as conclusive evidence of its authorization to issue to or as directed by, Lucent the principal amount of Securities specified in the Conversion Certificate and no further act or evidence, written or oral, shall be required by the Trustee, the Company or any other Person for the issuance of Securities by the Trustee under this Indenture. A Conversion Certificate may be delivered to the Trustee by facsimile, courier or in the manner specified in Section 10 02. Each Security shall be authenticated and delivered by the Trustee to or directed by Lucent within one (1) Business Day after receipt by the Trustee of a Conversion Certificate, and the Conversion Date of each Security so authenticated and delivered shall be deemed to be the date of receipt by the Trustee of the relevant Conversion Certificate. Each Security authenticated, issued and delivered by the Trustee in accordance with this Section 2 02 shall constitute a valid, legal and binding obligation of the Company.

The Trustee may appoint an authenticating agent reasonably acceptable to the Company to authenticate the Securities. Unless limited by the terms of such appointment, an authenticating agent may authenticate Securities whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as any Registrar, Paying Agent or agent for service of notices and demands.

SECTION 2 03 Registrar and Paying Agent. The Company shall maintain an office or agency where Securities may be presented for registration of transfer or for exchange (the "Registrar") and an office or agency where

Securities may be presented for payment (the "Paying Agent") The Registrar shall keep a register of the Securities and of their transfer and exchange The Company may have one or more co-registrars and one or more additional paying agents The term "Paying Agent" includes any additional paying agent

The Company shall enter into an appropriate agency agreement with any Registrar, Paying Agent or co-registrar not a party to this Indenture which shall incorporate the terms of the TIA The agreement shall implement the provisions of this Indenture that relate to such agent The Company shall notify the Trustee of the name and address of any such agent If the Company fails to maintain a Registrar or Paying Agent the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 7 07 The Company or any Wholly Owned Subsidiary incorporated or organized within The United States of America may act as Paying Agent Registrar co-registrar or transfer agent

The Company initially appoints the Trustee as Registrar and Paying Agent in connection with the Securities

SECTION 2 04 Paying Agent To Hold Money in Trust Prior to each due date of the principal and interest on any Security the Company shall deposit with the Paying Agent a sum sufficient to pay such principal and interest when so becoming due The Company shall require each Paying Agent (other than the Trustee) to agree in writing that the Paying Agent shall hold in trust for the benefit of Securityholders or the Trustee all money held by the Paying Agent for the payment of principal of or interest on the Securities and shall notify the Trustee of any default by the Company in making any such payment If the Company or a Subsidiary acts as Paying Agent, it shall segregate the money held by it as Paying Agent and hold it as a separate trust fund The Company at any time may require a Paying Agent to pay all money held by it to the Trustee and to account for any funds disbursed by the Paying Agent Upon complying with this Section the Paying Agent shall have no further liability for the money delivered to the Trustee

SECTION 2 05 Securityholder Lists The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Securityholders If the Trustee is not the Registrar the Company shall furnish to the Trustee, in writing at least five Business Days before each interest

payment date and at such other times as the Trustee may request in writing a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of Securityholders

SECTION 2 06 Transfer and Exchange (a) All Securities issued upon any transfer or exchange pursuant to the terms of the Indenture shall evidence the same debt and shall be entitled to the same benefits under the Indenture as the Securities surrendered upon such transfer or exchange

(b) Prior to the due presentation for registration of transfer of any Security the Company, the Trustee the Paying Agent, the Registrar or any co-registrar may deem and treat the person in whose name a Security is registered as the absolute owner of such Security for the purpose of receiving payment of principal of and interest on such Security and for all other purposes whatsoever, whether or not such Security is overdue, and none of the Company, the Trustee the Paying Agent the Registrar or any co-registrar shall be affected by notice to the contrary

(c) The Registrar or co-registrar shall not be required to register the transfer of or exchange of any Security for a period beginning 15 Business Days before the mailing of a notice of an offer to repurchase or redeem Securities or 15 Business Days before an interest payment date

(d) The Securities shall be issued in registered form and shall be transferable only upon the surrender of a Security for registration of transfer When a Security is presented to the Registrar or a co-registrar with a request to register a transfer, the Registrar shall register the transfer as requested if the requirements of this Indenture and Section 8-401(1) of the Uniform Commercial Code are met When Securities are presented to the Registrar or a co-registrar with a request to exchange them for an equal principal amount of Securities of other denominations, the Registrar shall make the exchange as requested if the same requirements are met To permit registrations of transfers and exchanges the Company shall execute and the Trustee shall authenticate certificated Securities and Global Securities at the Registrar's or co-registrar's request No service charge shall be made for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax, assessments or similar governmental charge payable in connection therewith (other than any such transfer taxes, assessments or similar

governmental charge payable upon exchange or transfer pursuant to Sections 3 06, 4 06, 4 09 and 9 05)

(e) The transfer and exchange of Global Securities or beneficial interests therein shall be effected through the Depository in accordance with this Indenture and the procedures of the Depository therefor. A transferor of a beneficial interest in a Global Security shall deliver to the Registrar a written order given in accordance with the Depository's procedures containing information regarding the participant account of the Depository to be credited with a beneficial interest in the Global Security. The Registrar shall, in accordance with such instructions, instruct the Depository to credit to the account of the Person specified in such instructions a beneficial interest in the Global Security and to debit the account of the Person making the transfer the beneficial interest in the Global Security being transferred.

(f) Each Global Security shall be transferred to the beneficial owners thereof in the form of certificated Securities in an aggregate principal amount equal to the principal amount of such Global Security, in exchange for such Global Security, if (i) the Depository notifies the Company that it is unwilling or unable to continue as Depository for such Global Security or if at any time such Depository ceases to be a "clearing agency" registered under the Exchange Act and a successor depository is not appointed by the Company within 90 days of such notice (ii) an Event of Default has occurred and is continuing or (iii) the Company, in its sole discretion, notifies the Trustee in writing that it elects to cause the issuance of certificated Securities under the Indenture.

In the event of the occurrence of the events specified in this Section 2 06(f), the Company shall promptly make available to the Trustee a reasonable supply of certificated Securities in definitive, fully registered form without interest coupons.

SECTION 2 07 Replacement Securities. If a mutilated Security is surrendered to the Registrar or if the Holder of a Security claims that the Security has been lost, destroyed or wrongfully taken, the Company shall issue and the Trustee shall authenticate a replacement Security if the requirements of Section 8-405 of the Uniform Commercial Code are met and the Holder satisfies any other reasonable requirements of the Trustee. If required by the Trustee or the Company, such Holder shall furnish an indemnity bond sufficient in the judgment of the Company and the Trustee to

protect the Company the Trustee the Paying Agent the Registrar and any co-registrar from any loss which any of them may suffer if a Security is replaced The Company and the Trustee may charge the Holder for their expenses in replacing a Security

Every replacement Security is an additional obligation of the Company

SECTION 2 08 Outstanding Securities. When Securities Disregarded. Securities outstanding at any time are all Securities authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation and those described in this Section as not outstanding A Security does not cease to be outstanding because the Company or an Affiliate of the Company holds the Security

If a Security is replaced pursuant to Section 2 07, it ceases to be outstanding unless the Trustee and the Company receive proof satisfactory to them that the replaced Security is held by a bona fide purchaser

If the Paying Agent segregates and holds in trust in accordance with this Indenture, on a redemption date or maturity date money sufficient to pay all principal and interest payable on that date with respect to the Securities (or portions thereof) to be redeemed or maturing, as the case may be then on and after that date such Securities (or portions thereof) cease to be outstanding and interest on them ceases to accrue

Notwithstanding any other provisions of this Indenture to the contrary, in determining whether the Holders of the required principal amount of Securities have concurred in any direction, waiver or consent Securities owned by the Company or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company shall be disregarded and deemed not to be outstanding, except that, for the purpose of determining whether the Trustee shall be protected in relying on any such direction waiver or consent, only Securities which the Trustee knows are so owned shall be so disregarded Also subject to the foregoing only Securities outstanding at the time shall be considered in any such determination

SECTION 2 09 Temporary Securities. Until definitive Securities are ready for delivery, the Company may prepare and the Trustee shall authenticate temporary Securities Temporary Securities shall be substantially in

the form of definitive Securities but may have variations that the Company considers appropriate for temporary Securities. Without unreasonable delay, the Company shall prepare and the Trustee shall authenticate definitive Securities and deliver them in exchange for temporary Securities.

SECTION 2 10 Cancellation. The Company at any time may deliver Securities to the Trustee for cancellation. The Registrar and the Paying Agent shall forward to the Trustee any Securities surrendered to them for registration of transfer, exchange or payment. The Trustee and no one else shall cancel and destroy (subject to the record retention requirements of the Exchange Act) all Securities surrendered for registration of transfer, exchange, payment or cancellation and deliver a certificate of such destruction to the Company unless the Company directs the Trustee to deliver canceled Securities to the Company. The Company may not issue new Securities to replace Securities it has redeemed, paid or delivered to the Trustee for cancellation.

At such time as all beneficial interests in a Global Security have either been exchanged for certificated Securities, redeemed, purchased or canceled, such Global Security shall be returned to the Depository for cancellation or retained and canceled by the Trustee. At any time prior to such cancellation, if any beneficial interest in a Global Security is exchanged for certificated Securities, redeemed, purchased or canceled, the principal amount of Securities represented by such Global Security shall be reduced and an adjustment shall be made on the books and records of the Trustee (if it is then the Securities Custodian for such Global Security) with respect to such Global Security by the Trustee or the Securities Custodian to reflect such reduction.

SECTION 2 11 Defaulted Interest. If the Company defaults in a payment of interest on the Securities, the Company shall pay defaulted interest (plus interest on such defaulted interest to the extent lawful) in any lawful manner. The Company may pay the defaulted interest to the persons who are Securityholders on a subsequent special record date. The Company shall fix or cause to be fixed any such special record date and payment date to the reasonable satisfaction of the Trustee and shall promptly mail to each Securityholder a notice that states the special record date, the payment date and the amount of defaulted interest to be paid.

SECTION 2 12 CUSIP, ISIN and Common Code Numbers The Company in issuing the Securities may use "CUSIP" "ISIN" or "Common Code" numbers (if then generally in use) and if so, the Trustee shall use "CUSIP" numbers, "ISIN" or "Common Code" in notices of redemption as a convenience to Holders, provided, however, that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers

SECTION 2 13 Rights of Agent Members. Members of, or participants in the Depository ("Agent Members") shall have no rights under this Indenture with respect to any Global Security held on their behalf by the Depository or by the Trustee as the custodian of the Depository or under such Global Security and the Company, the Trustee and any agent of the Company or the Trustee shall be entitled to treat the Depository as the absolute owner of such Global Security for all purposes whatsoever

Notwithstanding the foregoing, (i) nothing herein shall prevent the Company, the Trustee or any agent of the Company or the Trustee from giving effect to any written certification proxy or other authorization furnished by the Depository or impair, as between the Depository and its Agent Members the operation of customary practices of such Depository governing the exercise of the rights of a holder of a beneficial interest in any Global Security and (ii) the registered Holder of a Global Security shall be entitled to grant proxies and otherwise authorize any Person, including Agent Members and Persons that may hold interests through Agent Members, to take any action which a Holder is entitled to take under the Indenture or the Securities

SECTION 2 14 No Obligation of the Trustee. (a) The Trustee shall have no responsibility or obligation to any beneficial owner of a Global Security, a member of, or a participant in the Depository or other Person with respect to the accuracy of the records of the Depository or its nominee or of any participant or member thereof, with respect to any ownership interest in the Securities or with respect to the delivery to any participant, member, beneficial owner or other Person (other than the Depository) of any notice (including any notice of redemption) or the payment of any amount, under or with

respect to such Securities. All notices and communications to be given to the Holders and all payments to be made to Holders under the Securities shall be given or made only to or upon the order of the registered Holders (which shall be the Depository or its nominee in the case of a Global Security). The rights of beneficial owners in any Global Security shall be exercised only through the Depository subject to the applicable rules and procedures of the Depository. The Trustee may rely and shall be fully protected in relying upon information furnished by the Depository with respect to its members, participants and any beneficial owners.

(b) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Security (including any transfers between or among Depository participants, members or beneficial owners in any Global Security) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of the Indenture and to examine the same to determine substantial compliance as to form with the express requirements hereof.

ARTICLE 3

Redemption

SECTION 3.01 Notices to Trustee. If the Company elects to redeem Securities pursuant to paragraph 5 of the Securities, it shall notify the Trustee in writing of the redemption date, the principal amount of Securities to be redeemed and the paragraph of the Securities pursuant to which the redemption will occur.

The Company shall give each notice to the Trustee provided for in this Section at least 30 days before the redemption date unless the Trustee consents to a shorter period. Such notice shall be accompanied by an Officers' Certificate and an Opinion of Counsel from the Company to the effect that such redemption will comply with the conditions herein.

SECTION 3.02 Selection of Securities To Be Redeemed. If fewer than all the Securities are to be redeemed, the Trustee shall select the Securities to be redeemed pro rata or by lot or by a method that complies

with applicable legal and securities exchange requirements, if any, and that the Trustee in its sole discretion shall deem to be fair and appropriate and in accordance with methods generally used at the time of selection by fiduciaries in similar circumstances. The Trustee shall make the selection from outstanding Securities not previously called for redemption. The Trustee may select for redemption portions of the principal amount of Securities that have denominations larger than \$1 000. Securities and portions of them the Trustee selects shall be in principal amounts of \$1 000 or a whole multiple of \$1,000. Provisions of this Indenture that apply to Securities called for redemption also apply to portions of Securities called for redemption. The Trustee shall notify the Company promptly of the Securities or portions of Securities to be redeemed.

SECTION 3.03 Notice of Redemption. At least 30 days but not more than 60 days before a date for redemption of Securities the Company shall mail a notice of redemption by first-class mail to each Holder of Securities to be redeemed at such Holder's registered address.

The notice shall identify the Securities to be redeemed and shall state

- (1) the redemption date
- (2) the redemption price,
- (3) the name and address of the Paying Agent,
- (4) that Securities called for redemption must be surrendered to the Paying Agent to collect the redemption price
- (5) if fewer than all the outstanding Securities are to be redeemed the identification and principal amounts of the particular Securities to be redeemed,
- (6) that unless the Company defaults in making such redemption payment, interest on Securities (or portion thereof) called for redemption ceases to accrue on and after the redemption date and
- (7) that no representation is made as to the correctness or accuracy of the CUSIP number, ISIN or Common Code number if any, listed in such notice or printed on the Securities

At the Company's request (which request may be revoked by the Company at any time prior to the time at which the Trustee shall have given such notice to the Holders), the Trustee shall give the notice of redemption in the Company's name and at the Company's expense. In such event, the Company shall provide the Trustee with the information required by this Section.

SECTION 3.04 Effect of Notice of Redemption. Once notice of redemption is mailed, Securities called for redemption become due and payable on the redemption date and at the redemption price stated in the notice. Upon surrender to the Paying Agent, such Securities shall be paid at the redemption price stated in the notice, plus accrued interest to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the related interest payment date). Failure to give notice or any defect in the notice to any Holder shall not affect the validity of the notice to any other Holder.

SECTION 3.05 Deposit of Redemption Price. On or prior to the redemption date, the Company shall deposit with the Paying Agent (or, if the Company or a Subsidiary is the Paying Agent, shall segregate and hold in trust) money sufficient to pay the redemption price of and accrued interest on all Securities to be redeemed on that date other than Securities or portions of Securities called for redemption which have been delivered by the Company to the Trustee for cancellation.

SECTION 3.06 Securities Redeemed in Part. Upon surrender of a Security that is redeemed in part, the Company shall execute and the Trustee shall authenticate for the Holder (at the Company's expense) a new Security equal in principal amount to the unredeemed portion of the Security surrendered.

ARTICLE 4

Covenants

SECTION 4.01 Payment of Securities. The Company shall promptly pay the principal of and interest on the Securities on the dates and in the manner provided in the Securities and in this Indenture. Principal and interest shall be considered paid on the date due if on such date the Trustee or the Paying Agent holds in accordance with this

Indenture money sufficient to pay all principal and interest then due

The Company shall pay interest on overdue principal at the rate specified therefor in the Securities and it shall pay interest on overdue installments of interest at the same rate to the extent lawful

SECTION 4 02 SEC Reports Notwithstanding that the Company may not be subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the Company will file with the SEC and provide the Trustee and Security-holders with such annual reports and such information, documents and other reports as are specified in Sections 13 and 15(d) of the Exchange Act and applicable to a U S corporation subject to such Sections such information documents and other reports to be so filed and provided at the times specified for the filing of such information documents and reports under such Sections The Company also shall comply with the other provisions of TIA § 314(a)

SECTION 4 03 Limitation on Indebtedness.

(a) The Company will not and will not permit any Restricted Group Member to, Incur, directly or indirectly, any Indebtedness, provided, however, that the Company will be entitled to Incur Indebtedness if on the date of such Incurrence and after giving effect thereto on a pro forma basis, the Consolidated Leverage Ratio would be less than 6 0 to 1

(b) Notwithstanding Section 4 03(a), so long as no Default has occurred and is continuing, the Company and the Restricted Group Members will be entitled to Incur any or all of the following Indebtedness

(1) Indebtedness Incurred pursuant to one or more Permitted Credit Facilities provided however, that, after giving effect to any such Incurrence the aggregate principal amount of such Indebtedness then outstanding does not exceed (A) the greater of (x) \$1 0 billion (which amount shall be increased to \$1 15 billion upon the effectiveness of an amendment to the indenture governing the Issue Date Senior Notes that increases the amount in Section 4 03 (b) (1) (A) therein from "\$1 0 billion" to "\$1 15 billion"), and (y) 85% of Eligible Receivables less (B) the sum of (i) all principal payments with respect to such Indebtedness (other than Indebtedness Incurred pursuant to the revolving loan portion of a Permitted Credit Facility) pursuant to Section 4 06(a) (3) (A) and

(11) the principal amount of such indebtedness assumed by a transferee in any Asset Disposition,

(2) Indebtedness owed to and held by the Company or a Restricted Group Member, provided however that (A) any subsequent issuance or transfer of any Capital Stock or the occurrence of any other event which results in any such Restricted Group Member ceasing to be a Restricted Group Member or any subsequent transfer of such Indebtedness (other than to the Company or another Restricted Group Member) shall be deemed, in each case to constitute the Incurrence of such Indebtedness by the obligor thereon and (B) if the Company is the obligor on such Indebtedness, such Indebtedness is not secured and is expressly subordinated to the prior payment in full in cash of all obligations with respect to the Securities,

(3) the Securities, the Issue Date 2008 Senior Notes the Issue Date Senior Notes, the Issue Date Discount Notes and the Issue Date Euro Notes

(4) Indebtedness outstanding on the Issue Date (other than Indebtedness described in clause (1) (2) or (3) of this Section 4.03(b)) and any exchange debentures issued in exchange for the Series C Preferred Stock in accordance with its terms or Discount Notes or the Issue Date Initial Senior Notes issued in exchange for such exchange debentures or Series C Preferred Stock

(5) Purchase Money Indebtedness, provided, however, that, to the extent such Purchase Money Indebtedness is Incurred by a Restricted Group Member, such Purchase Money Indebtedness shall be Incurred pursuant to a Permitted Credit Facility or a Vendor Financing, provided further, however that the amount of such Purchase Money Indebtedness does not exceed 100% of the cost and directly related expenses of the construction installation acquisition, lease, insurance, shipping, development or improvement of, or any service agreement, maintenance agreement, warranty agreement or similar agreement in respect of, the applicable Telecommunications Assets,

(6) Indebtedness of the Company in an amount which when taken together with the amount of all other Indebtedness of the Company Incurred pursuant to this clause (6) and then outstanding does not exceed two times the sum of (x) the aggregate Net Cash Proceeds

received by the Company from the issuance or sale of Capital Stock (other than Disqualified Stock) of the Company (other than an issuance or sale to a Subsidiary of the Company or a Permitted International Joint Venture and other than an issuance or sale to an employee stock ownership plan or to a trust established by the Company, any of its Subsidiaries or any Permitted International Joint Venture for the benefit of their employees) and (y) the fair market value of any Capital Stock (other than Disqualified Stock) of the Company issued to any Person (other than a Subsidiary of the Company or a Permitted International Joint Venture) (i) in exchange for Telecommunications Assets or (ii) in exchange for Capital Stock of another Person a substantial majority of the assets of which consist of Telecommunications Assets in a transaction pursuant to which such other Person becomes a Restricted Group Member in each case received or issued, as the case may be on or subsequent to February 1, 2000, provided, however, that such Net Cash Proceeds or fair market value have not served as a basis for making a Restricted Payment pursuant to Section 4 04 (a) (3) (B), Section 4 04 (b) (1) or Section 4 04 (b) (5),

(7) Indebtedness of a Restricted Group Member Incurred and outstanding on or prior to the date on which such Subsidiary (in the case of a Restricted Subsidiary) or an interest in such entity (in the case of a Permitted International Joint Venture) was acquired by the Company (other than Indebtedness Incurred in connection with or to provide all or any portion of the funds or credit support utilized to consummate the transaction or series of related transactions pursuant to which such Subsidiary (in the case of a Restricted Subsidiary) or an interest in such entity (in the case of a Permitted International Joint Venture) was acquired by the Company), provided however, that on the date of such acquisition and after giving pro forma effect thereto, the Company would have been able to incur at least \$1 00 of additional Indebtedness pursuant to Section 4 03 (a),

(8) Refinancing Indebtedness in respect of Indebtedness Incurred pursuant to Section 4 03 (a) or pursuant to clause (3), (4), (5) or (7) of this Section 4 03 (b) or this clause (8), provided however that any Refinancing Indebtedness Incurred by a Restricted Group Member in respect of Indebtedness Incurred pursuant to clause (5) of this Section 4 03 (b)

is Incurred pursuant to a Permitted Credit Facility or a Vendor Financing,

(9) Hedging Obligations consisting of (A) Interest Rate Agreements or Currency Agreements directly related to Indebtedness permitted to be Incurred by the Company pursuant to this Indenture, provided, however, that the notional amount of any such Hedging Obligation does not exceed the amount of Indebtedness to which such Hedging Obligation relates or (B) Currency Agreements used to hedge non-U S dollar currency exposures of the Company and its Restricted Group Members, entered into in accordance with customary industry practices for companies in the Telecommunications Business with international operations and not for purposes of speculation,

(10) Indebtedness solely in respect of letters of credit bank guarantees, banker's acceptances cash deposits, surety bonds bid bonds and performance bonds Incurred in the ordinary course of business provided, however that such instruments or deposits do not support any Indebtedness other than Indebtedness which if Incurred by the Company would be permitted to be Incurred pursuant to another provision of this Section 4.03,

(11) Indebtedness of the Company or a Restricted Group Member consisting of a Guaranty of Indebtedness of a Restricted Group Member permitted to be Incurred under this Indenture, provided however, that the entity providing the Guaranty would have been able to incur such Indebtedness under this Indenture and

(12) Indebtedness of the Company or a Restricted Group Member in an aggregate principal amount which, when taken together with all other Indebtedness of the Company and the Restricted Group Members outstanding on the date of such Incurrence (other than Indebtedness permitted by clauses (1) through (11) of this Section 4.03(b) or Section 4.03(a)) does not exceed \$50.0 million

(c) Notwithstanding the foregoing the Company will not incur any Indebtedness pursuant to Section 4.03(b) (other than the Incurrence of (1) any exchange debentures issued in exchange for the Series C Preferred Stock in accordance with its terms or Discount Notes or Issue Date Initial Senior Notes issued in exchange for such exchange debentures or Series C Preferred Stock and (2) any

Indebtedness issued in exchange for the Existing Subordinated Notes) if the proceeds thereof are used directly or indirectly, to Refinance any Subordinated Obligations unless such Indebtedness shall be subordinated to the Securities to at least the same extent as such Subordinated Obligations

(d) For purposes of determining compliance with this Section 4.03 (1) in the event that an item of Indebtedness meets the criteria of more than one of the types of Indebtedness described above, the Company in its sole discretion will classify such item of Indebtedness at the time of Incurrence and only be required to include the amount and type of such Indebtedness in one of the above clauses and (2) the Company will be entitled to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described above

(e) For purposes of determining compliance with any U S dollar or euro denominated restriction on the Incurrence of Indebtedness where the Indebtedness Incurred is denominated in a different currency, the amount of such Indebtedness will be the U S Dollar Equivalent or Euro Equivalent as the case may be determined on the date of the Incurrence of such Indebtedness, provided, however that if any such Indebtedness denominated in a different currency is subject to a Currency Agreement with respect to U S dollars or euros as the case may be, covering all principal, premium if any and interest payable on such Indebtedness the amount of such Indebtedness expressed in U S dollars or euros will be as provided in such Currency Agreement. The principal amount of any Refinancing Indebtedness Incurred in the same currency as the Indebtedness, being Refinanced will be the Euro Equivalent or U S Dollar Equivalent as appropriate, of the Indebtedness Refinanced, except to the extent that (1) such U S Dollar Equivalent or Euro Equivalent was determined based on a Currency Agreement, in which case the Refinancing Indebtedness will be determined in accordance with the preceding sentence, and (2) the principal amount of the Refinancing Indebtedness exceeds the principal amount of the Indebtedness being Refinanced, in which case the U S Dollar Equivalent or Euro Equivalent of such excess, as appropriate, will be determined on the date such Refinancing Indebtedness is Incurred

SECTION 4.04 Limitation on Restricted Payments

(a) The Company will not, and will not permit any

Restricted Group Member, directly or indirectly, to make a Restricted Payment if at the time the Company or such Restricted Group Member makes such Restricted Payment

(1) a Default shall have occurred and be continuing (or would result therefrom),

(2) after giving effect thereto on a pro forma basis the Company is not entitled to Incur an additional \$1 00 of Indebtedness pursuant to Section 4 03(a) or

(3) the aggregate amount of such Restricted Payment and all other Restricted Payments since the Issue Date would exceed the sum of (without duplication)

(A) the amount of (x) cumulative EBITDA during the period (taken as a single accounting period) beginning on the first day of the fiscal quarter of the Company beginning after the Issue Date and ending on the last day of the most recent fiscal quarter ending at least 45 days prior to the date of such Restricted Payment minus (y) the product of 1 5 times cumulative Consolidated Interest Expense during such period plus

(B) subject to Section 4 04(c), 100% of the aggregate Net Cash Proceeds received by the Company from the issuance or sale of its Capital Stock (other than Disqualified Stock) subsequent to the Issue Date (other than an issuance or sale to a Subsidiary of the Company or a Permitted International Joint Venture and other than an issuance or sale to an employee stock ownership plan or to a trust established by the Company any of its Subsidiaries or any Permitted International Joint Venture for the benefit of their employees), provided, however, that such Net Cash Proceeds have not served as a basis to make a Restricted Payment pursuant to Section 4 04(b) (1) or Section 4 04(b) (5) plus

(C) the amount by which Indebtedness of the Company or a Restricted Group Member is reduced on the Company's consolidated balance sheet upon the conversion or exchange (other than by a Subsidiary of the Company or a Permitted International Joint Venture) subsequent to the Issue Date of any Indebtedness of the Company or a Restricted Group

Member for or into Capital Stock (other than Disqualified Stock) of the Company (less the amount of any cash or the fair value of any other property (other than Capital Stock of the Company that is not Disqualified Stock) distributed by the Company or a Restricted Group Member upon such conversion or exchange) plus

(D) an amount equal to the sum of (x) the net reduction in the Investments (other than Permitted Investments) made by the Company or any Restricted Group Member in any Person resulting from repurchases, repayments or redemptions of such Investments by such Person proceeds realized on the sale of such Investment proceeds representing the return of capital (excluding dividends and distributions), in each case received by the Company or any Restricted Group Member, and (y) if an Unrestricted Subsidiary is designated as a Restricted Group Member or an Investee is designated as a Restricted Group Member or becomes a Restricted Subsidiary, the portion (proportionate to the Company's equity interest in such Subsidiary or Investee) of the fair market value of the net assets of such Unrestricted Subsidiary or Investee at the time such Unrestricted Subsidiary is designated a Restricted Group Member or such Investee is designated as a Restricted Group Member or becomes a Restricted Subsidiary, provided, however, that the foregoing sum shall not exceed, in the case of any such Person, Unrestricted Subsidiary or Investee, the amount of Investments (excluding Permitted Investments) previously made (and treated as a Restricted Payment and included in the calculation of the amount of Restricted Payments) by the Company or any Restricted Group Member in such Person, Unrestricted Subsidiary or Investee

(b) The provisions of Section 4 04(a) shall not prohibit

(1) subject to Section 4 04(c), any Restricted Payment made out of the Net Cash Proceeds of the substantially concurrent sale of (or specified with particularity at the time of the sale of, and subsequently made with such Net Cash Proceeds of), or made by exchange for Capital Stock (other than Disqualified Stock) of the Company (other than Capital Stock issued or sold to a Subsidiary of the Company or

a Permitted International Joint Venture or an employee stock ownership plan or to a trust established by the Company, any of its Subsidiaries or any Permitted International Joint Venture for the benefit of their employees), provided, however, that such Net Cash Proceeds have not served as a basis for making any other Restricted Payment provided further however that (A) such Restricted Payment shall be excluded in the calculation of the amount of Restricted Payments and (B) the Net Cash Proceeds from any such sale (to the extent so used for such Restricted Payment) shall be excluded from the calculation of amounts under Section 4 04(a)(3)(B),

(2) any purchase repurchase redemption, defeasance or other acquisition or retirement for value of Subordinated Obligations made by exchange for, or out of the proceeds of the substantially concurrent sale of (or specified with particularity at the time of the sale of, and subsequently made with such proceeds of), Indebtedness which is permitted to be Incurred pursuant to Section 4 03, provided however, that such purchase repurchase redemption, defeasance or other acquisition or retirement for value shall be excluded in the calculation of the amount of Restricted Payments

(3) dividends paid within 60 days after the date of declaration thereof if at such date of declaration such dividend would have complied with this Section 4 04, provided, however that at the time of payment of such dividend no other Default shall have occurred and be continuing (or result therefrom), provided further, however, that such dividend shall be included in the calculation of the amount of Restricted Payments,

(4) so long as no Default has occurred and is continuing the repurchase or other acquisition of shares of Capital Stock of the Company from employees, former employees, directors or former directors of the Company, any of its Subsidiaries or any Permitted International Joint Venture (or permitted transferees of such employees former employees directors or former directors), pursuant to the terms of agreements (including employment agreements) or plans (or amendments thereto) approved by the Board of Directors under which such individuals purchase or sell or are granted the option to purchase or sell shares of such Capital Stock provided however, that the aggregate amount of

such repurchases and other acquisitions (other than repurchases and acquisitions made pursuant to agreements in effect on the Issue Date) shall not exceed \$5 0 million in any calendar year (with unused amounts being carried forward indefinitely) provided further, however, that such repurchases and other acquisitions shall be included in the calculation of the amount of Restricted Payments,

(5) subject to Section 4 04(c), Investments in any Person a substantial majority of the assets of which consist of Telecommunications Assets provided, however that the Fair Market Value of all such Investments made pursuant to this clause (5) (measured on the date each such Investment was made) and then outstanding, does not exceed the sum of \$100 0 million, plus the sum of (x) the aggregate Net Cash Proceeds received by the Company from the issuance or sale of Capital Stock (other than Disqualified Stock) of the Company (other than an issuance or sale to a Subsidiary of the Company or a Permitted International Joint Venture and other than an issuance or sale to an employee stock ownership plan or to a trust established by the Company, any of its Subsidiaries or any Permitted International Joint Venture for the benefit of their employees) and (y) the fair market value of any Capital Stock (other than Disqualified Stock) of the Company issued to any Person (other than a Subsidiary of the Company or a Permitted International Joint Venture) (i) in exchange for Telecommunications Assets or (ii) in exchange for Capital Stock of another Person a substantial majority of the assets of which consist of Telecommunications Assets in a transaction pursuant to which such other Person becomes a Restricted Group Member, in each case received or issued as the case may be, subsequent to February 1, 2000, provided, however, that such Net Cash Proceeds or fair market value have not served as a basis for making any other Restricted Payment, provided further, however, that (A) such Investments shall be excluded in the calculation of the amount of Restricted Payments and (B) the Net Cash Proceeds from any such issuance or sale of Capital Stock (to the extent so used for such Restricted Payment) shall be excluded from the calculation of amounts under Section 4 04(a) (3) (B),

(6) Investments in any Person whose primary business it is to directly (or indirectly through subsidiaries) own or hold licenses granted by the Federal Communications Commission or any other

governmental entity with authority to grant telecommunications or radio frequency licenses or authorizations, provided however that the Company or a Restricted Group Member shall at the time of making such Investment have an active role in the management or operation of such Person and in the provision of telecommunications services by such Person, provided further however that such Investment shall be included in the calculation of the amount of Restricted Payments

(7) the exchange or purchase and retirement of (A) the Series C Preferred Stock for (i) exchange debentures in accordance with the terms of the Series C Preferred Stock or (ii) cash or Indebtedness of the Company or (B) the Existing Subordinated Notes for cash or Indebtedness of the Company provided, however, that such exchange or purchase and retirement shall be excluded in the calculation of the amount of Restricted Payments

(8) cash payments in lieu of the issuance of fractional shares in connection with stock splits or upon the conversion into Capital Stock of the Company (other than Disqualified Stock) of any security of the Company or any convertible Indebtedness of the Company provided, however, that such exchange and retirement shall be excluded in the calculation of the amount of Restricted Payments

(9) Investments in Office com the fair market value of which (measured on the date each such Investment is made) does not exceed (x) in the case of an Investment to be made on or immediately after the Issue Date \$50 0 million, and (y) during each of the three 12-month periods following the Issue Date \$25 0 million per year (with unused annual amounts being carried over to future periods even if such periods occur after the third anniversary of the Issue Date), provided however, that such Investments shall be excluded in the calculation of the amount of Restricted Payments, and

(10) Investments, the aggregate Fair Market Value (measured on the date each such Investment was made) of which when taken together with the Fair Market Value of all other Investments made pursuant to this clause (10) then outstanding, does not exceed \$10 0 million, provided however that such Investment

shall be included in the calculation of the amount of Restricted Payments

(c) The amounts determined pursuant to Section 4 04(a)(3)(B), Section 4 04(b)(1) and Section 4 04(b)(5) based on Net Cash Proceeds received from the issuance or sale of Capital Stock (or the Fair Market Value of Capital Stock issued) shall be reduced to the extent such Net Cash Proceeds or Fair Market Value have served as the basis for incurring any Indebtedness pursuant to Section 4 03(b)(6) and such Indebtedness (including any Refinancings thereof) remains outstanding

SECTION 4 05 Limitation on Restrictions on Distributions from Restricted Group Members. The Company will not and will not permit any Restricted Group Member to create or otherwise cause or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Group Member to (a) pay dividends or make any other distributions on its Capital Stock to the Company or a Restricted Group Member or pay any Indebtedness owed to the Company (b) make any loans or advances to the Company or a Restricted Group Member or (c) transfer any of its property or assets to the Company or a Restricted Group Member, except

(1) any encumbrance or restriction pursuant to an agreement in effect at or entered into on the Issue Date

(2) any encumbrance or restriction with respect to a Restricted Group Member pursuant to an agreement relating to any Indebtedness Incurred by such Restricted Group Member on or prior to the date on which such Subsidiary (in the case of a Restricted Subsidiary) or an interest in such entity (in the case of a Permitted International Joint Venture) was acquired by the Company (other than Indebtedness Incurred as consideration in, or to provide all or any portion of the funds or credit support utilized to consummate the transaction or series of related transactions pursuant to which such Subsidiary (in the case of a Restricted Subsidiary) or entity (in the case of a Permitted International Joint Venture) became a Restricted Group Member or was acquired by the Company) and outstanding on such date,

(3) any encumbrance or restriction pursuant to an agreement effecting a Refinancing of Indebtedness Incurred pursuant to an agreement referred to in

Section 4 05(1) or Section 4 05(2) or this clause (3) or contained in any amendment to an agreement referred to in Section 4 05(1) or Section 4 05(2) or this clause (3), provided however, that the encumbrances and restrictions with respect to such Restricted Group Member contained in any such refinancing agreement or amendment are no less favorable to the Securityholders than encumbrances and restrictions with respect to such Restricted Group Member contained in such predecessor agreements

(4) any encumbrance or restriction pursuant to a Permitted Credit Facility, provided, however, that (a) the outstanding Indebtedness under such Permitted Credit Facility does not exceed the amounts permitted under Section 4 03(b) (1), Section 4 03(b) (5) and Section 4 03(b) (8) (but with respect to Section 4 03(b) (8) only to the extent such Indebtedness constitutes Refinancing Indebtedness of Purchase Money Indebtedness), (b) such restrictions (other than following an event of default under such Permitted Credit Facility) permit dividends and distributions necessary to permit the Company to satisfy its obligations on the Securities, and (c) the chief financial officer of the Company determines in good faith that (1) any such restrictions contained in any such Permitted Credit Facility are no more restrictive taken as a whole, than those contained in a credit facility with terms that are commercially reasonable for a borrower engaged in a business comparable to the Company that has substantially comparable Indebtedness and (2) any such restrictions will not materially affect the Company's ability to make principal, premium or interest payments on the Securities

(5) any encumbrance or restriction arising under any applicable law or action or at the request of a governmental regulatory authority,

(6) in the case of clause (c) above, any such encumbrance or restriction consisting of customary non assignment provisions in leases, including leases in respect of data centers and in defeasible rights of use, governing leasehold interests to the extent such provisions restrict the transfer of the lease or the property leased thereunder

(7) in the case of clause (c) above restrictions contained in security agreements or mortgages securing Indebtedness of the Company or a Restricted Group

Member to the extent such restrictions restrict the transfer of the property subject to such security agreements or mortgages,

(8) in the case of clause (c) above, restrictions imposed in connection with the grant or acquisition of radio frequency spectrum (to the extent such restrictions restrict the transfer of such radio frequency spectrum) or common carrier licenses or their equivalent (to the extent such restrictions restrict the transfer of such licenses),

(9) in the case of clause (c) above, restrictions relating to the property or assets of an unconsolidated Permitted International Joint Venture, not relating to any Indebtedness and that do not individually or in the aggregate, detract from the value of the property or assets of the Permitted International Joint Venture in any material respect,

(10) in the case of clause (c) above customary provisions arising or agreed to in the ordinary course of business, not relating to any Indebtedness and that do not individually or in the aggregate, detract from the value of the property or assets of the Company or any Restricted Group Member in any material respect, and

(11) any restriction with respect to a Restricted Group Member imposed pursuant to an agreement entered into for the sale or disposition of all or substantially all the Capital Stock or assets of such Restricted Group Member pending the closing of such sale or disposition

SECTION 4.06 Limitation on Sales of Assets and
Subsidiary Stock (a) The Company will not, and will not permit any Restricted Group Member to, directly or indirectly consummate any Asset Disposition unless

(1) the Company or such Restricted Group Member receives consideration at the time of such Asset Disposition at least equal to the Fair Market Value (including as to the value of all noncash consideration), of the shares and assets subject to such Asset Disposition,

(2) at least 75% of the consideration thereof received by the Company or such Restricted Group Member

is in the form of cash or cash equivalents, Marketable Securities or Telecommunications Assets, and

(3) an amount equal to 100% of the Net Available Cash from such Asset Disposition is applied by the Company (or such Restricted Group Member as the case may be)

(A) first to the extent the Company or such Restricted Group Member elects (or is required by the terms of any Indebtedness) to prepay, repay, redeem or purchase (x) Senior Indebtedness of the Company that is either secured Indebtedness or has a Stated Maturity prior to the Stated Maturity of the Securities or (y) Indebtedness (other than any Disqualified Stock) of a Restricted Group Member (in each case other than Indebtedness owed to the Company or an Affiliate of the Company) within one year from the later of the date of such Asset Disposition or the receipt of such Net Available Cash,

(B) second to the extent of the balance of such Net Available Cash after application in accordance with clause (A) to the extent the Company elects to acquire Telecommunications Assets within one year from the later of the date of such Asset Disposition or the receipt of such Net Available Cash, and

(C) third to the extent of the balance of such Net Available Cash after application in accordance with clauses (A) and (B) to make an offer to the holders of the Securities (and to holders of other Senior Indebtedness that have a right to be included in such offer) to purchase Securities (and such other Senior Indebtedness) pursuant to and subject to the conditions-- -- contained in Section 4.06(b),

provided however that in connection with any prepayment repayment or purchase of Indebtedness pursuant to clause (A) or (C) above, the Company or such Restricted Group Member shall permanently retire such Indebtedness (other than Indebtedness Incurred pursuant to the revolving loan portion of a Permitted Credit Facility) and shall cause the related loan commitment (if any) to be permanently reduced in an amount equal to the principal amount so prepaid, repaid or purchased

Notwithstanding the foregoing provisions of this Section 4.06, the Company and the Restricted Group Members will not be required to apply any Net Available Cash in accordance with this Section 4.06 except to the extent that the aggregate Net Available Cash from all Asset Dispositions which are not applied in accordance with this Section 4.06 exceeds \$5.0 million. Pending application of Net Available Cash pursuant to this Section 4.06, such Net Available Cash shall be invested in Permitted Investments.

For the purposes of this Section 4.06, the following are deemed to be cash or cash equivalents:

(1) the assumption of Indebtedness of the Company or any Restricted Group Member and the release of the Company or such Restricted Group Member from all liability on such Indebtedness in connection with such Asset Disposition; and

(2) securities received by the Company or any Restricted Group Member from the transferee that are promptly converted by the Company or such Restricted Group Member into cash or cash equivalents.

(b) In the event of an Asset Disposition that requires the purchase of Securities (and other Senior Indebtedness) pursuant to Section 4.06(a)(3)(C), the Company shall purchase Securities tendered pursuant to an offer by the Company for the Securities (and such other Senior Indebtedness) (the "Offer") at a purchase price of 100% of their principal amount (or, if other than the Securities, 100% of their principal amount or, in the event such other Senior Indebtedness was issued with significant original issue discount, 100% of the accreted value thereof), without premium, plus accrued but unpaid interest (or, in respect of such other Senior Indebtedness, such lesser price, if any, as may be provided for by the terms of such Senior Indebtedness) in accordance with the procedures (including prorationing in the event of oversubscription) set forth in Section 4.06(c). If the aggregate purchase price of Securities (and any other Senior Indebtedness) tendered pursuant to the Offer exceeds the Net Available Cash allotted to their purchase, the Company shall select the Securities and other Senior Indebtedness to be purchased on a pro rata basis but in round denominations, which in the case of the Securities will be denominations of \$1,000 principal amount or multiples thereof. The Company shall not be required to make an Offer to purchase Securities (and other Senior Indebtedness) pursuant to this Section 4.06 if the Net Available Cash available therefor is less than

\$10 0 million (which lesser amount shall be carried forward for purposes of determining whether such an Offer is required with respect to the Net Available Cash from any subsequent Asset Disposition) Upon completion of an Offer, the amount of Net Available Cash that served as the basis for such Offer will be reset at zero for purposes of Section 4 06(a)

(c) (1) Promptly and in any event within 10 days after the Company becomes obligated to make an Offer the Company shall deliver to the Trustee and send, by first-class mail to each Holder, a written notice stating that the Holder may elect to have his Securities purchased by the Company either in whole or in part (subject to prorating as described in Section 4 06(b) in the event the Offer is oversubscribed) in integral multiples of \$1 000 of principal amount at the applicable purchase price The notice shall specify a purchase date not less than 30 days nor more than 60 days after the date of such notice (the "Purchase Date") and shall contain such information concerning the business of the Company which the Company in good faith believes will enable such Holders to make an informed decision (which at a minimum will include (A) the most recently filed Annual Report on Form 10-K (including audited consolidated financial statements) of the Company, the most recent subsequently filed Quarterly Report on Form 10-Q and any Current Report on Form 8-K of the Company filed subsequent to such Quarterly Report, other than Current Reports describing Asset Dispositions otherwise described in the offering materials (or corresponding successor reports), (B) a description of material developments in the Company's business if any subsequent to the date of the latest of such Reports and (C) if material appropriate pro forma financial information) and all instructions and materials necessary to tender Securities pursuant to the Offer together with the information contained in clause (3)

(2) Not later than the date upon which written notice of an Offer is delivered to the Trustee as provided below, the Company shall deliver to the Trustee an Officers' Certificate as to (A) the amount of the Offer (the "Offer Amount"), including information as to any other Senior Indebtedness included in the Offer, (B) the allocation of the Net Available Cash from the Asset Dispositions pursuant to which such Offer is being made and (C) the compliance of such allocation with the provisions of Section 4 06(a) and (b) On such date, the Company shall also irrevocably deposit with the Trustee or with a Paying Agent (or if the Company is acting as its own Paying Agent, segregate and hold in trust) in Temporary Cash Investments, maturing on

the last day prior to the Purchase Date or on the Purchase Date if funds are immediately available by open of business, an amount equal to the Offer Amount to be held for payment in accordance with the provisions of this Section. If the Offer includes other Senior Indebtedness, the deposit described in the preceding sentence may be made with any other paying agent pursuant to arrangements satisfactory to the Trustee. Upon the expiration of the period for which the Offer remains open (the "Offer Period") the Company shall deliver to the Trustee for cancellation the Securities or portions thereof which have been properly tendered to and are to be accepted by the Company. The Trustee shall, on the Purchase Date, mail or deliver payment (or cause the delivery of payment) to each tendering Holder in the amount of the purchase price. In the event that the aggregate purchase price of the Securities delivered by the Company to the Trustee is less than the Offer Amount applicable to the Securities, the Trustee shall deliver the excess to the Company immediately after the expiration of the Offer Period for application in accordance with this Section 4.06.

(3) Holders electing to have a Security purchased shall be required to surrender the Security, with an appropriate form duly completed, to the Company at the address specified in the notice at least three Business Days prior to the Purchase Date. Holders shall be entitled to withdraw their election if the Trustee or the Company receives not later than two Business Days prior to the Purchase Date a telex facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Security which was delivered for purchase by the Holder and a statement that such Holder is withdrawing his election to have such Security purchased. Holders whose Securities are purchased only in part shall be issued new Securities equal in principal amount to the unpurchased portion of the Securities surrendered.

(4) At the time the Company delivers Securities to the Trustee which are to be accepted for purchase, the Company shall also deliver an Officers' Certificate stating that such Securities are to be accepted by the Company pursuant to and in accordance with the terms of this Section. A Security shall be deemed to have been accepted for purchase at the time the Trustee, directly or through an agent, mails or delivers payment therefor to the surrendering Holder.

(d) The Company shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations.

in connection with the repurchase of Securities pursuant to this Section. To the extent that the provisions of any securities laws or regulations conflict with provisions of this Section, the Company shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under this Section by virtue of its compliance with such securities laws or regulations.

SECTION 4.07 Limitation on Affiliate Transactions. (a) The Company will not, and will not permit any Restricted Group Member to enter into or permit to exist any transaction (including the purchase, sale, lease or exchange of any property, employee compensation arrangements or the rendering of any service) with or for the benefit of any Affiliate of the Company (an "Affiliate Transaction") unless

(1) the terms of the Affiliate Transaction are no less favorable to the Company or such Restricted Group Member than those that could be obtained at the time of the Affiliate Transaction in arm's-length dealings with a Person who is not an Affiliate,

(2) if such Affiliate Transaction or series of related Affiliate Transactions involves an amount in excess of \$12.5 million, the terms of the Affiliate Transaction are set forth in writing and either (A) a committee of the Board of Directors a majority of whose members are disinterested with respect to such transaction or (B) a majority of the non-employee directors of the Company disinterested with respect to such Affiliate Transaction have determined in good faith that the criteria set forth in clause (1) are satisfied and that the relevant Affiliate Transaction is in the best interest of the Company or such Restricted Group Member and have approved the relevant Affiliate Transaction as evidenced by a Board Resolution, and

(3) if such Affiliate Transaction or series of related Affiliate Transactions involves an amount in excess of \$25.0 million, the Board of Directors shall also have received a written opinion from an investment banking firm, accounting firm or appraisal firm of national prominence that is not an Affiliate of the Company to the effect that such Affiliate Transaction is fair, from a financial standpoint, to the Company and its Restricted Group Members.

(b) The provisions of Section 4 07(a) will not prohibit

(1) any Investment (other than a Permitted Investment) or other Restricted Payment, in each case permitted to be made pursuant to Section 4 04,

(2) the entering into maintaining or performance of any employment contract, collective bargaining agreement, benefit plan, program or arrangement, related trust agreement or any other similar arrangement for or with any employee, officer or director heretofore or hereafter entered into in the ordinary course of business including vacation, health insurance, deferred compensation, retirement, savings or other similar plans,

(3) the payment of compensation, performance of indemnification or contribution obligations, or an issuance, grant or award of stock, options, or other equity-related interests or other securities, to employees officers or directors in the ordinary course of business,

(4) the payment of reasonable fees to directors of the Company and its Restricted Group Members who are not employees of the Company or its Restricted Group Members

(5) any transaction with a Restricted Group Member or joint venture or similar entity that would constitute an Affiliate Transaction solely because the Company or a Restricted Group Member owns an equity interest in or otherwise controls such Restricted Group Member, joint venture or similar entity,

(6) the issuance or sale of any Capital Stock (other than Disqualified Stock) of the Company, and

(7) transactions with respect to the provision of Telecommunications Business services, including wireline or wireless transmission capacity, the lease or sharing or other use of cable or fiber optic lines equipment, rights-of-way or other access rights between the Company or any Restricted Group Member and any other Person provided, however, that, in the case of this clause (7), such transaction complies with Section 4 07(a) (1) and is in the best interest of the Company or such Restricted Group Member

SECTION 4 08 Limitation on the Sale or Issuance
of Capital Stock of Restricted Group Members. The Company

(1) will not and will not permit any Restricted Group Member to issue transfer convey, sell or otherwise dispose of any Capital Stock of any Restricted Group Member other than to the Company or a Restricted Group Member and

(11) will not permit any Person other than the Company or a Restricted Group Member to own any Capital Stock of any Restricted Group Member other than directors' qualifying shares or shares required by applicable law to be held by a Person other than the Company or a Restricted Group Member

except, in each case, for

(a) a sale transfer conveyance or other disposition by the Company or a Restricted Group Member of 100% of the Capital Stock of a Restricted Group Member sold in a transaction not prohibited by Section 4 06

(b) an issuance sale, transfer conveyance or other disposition of the Capital Stock of a Restricted Group Member sold in a transaction not prohibited by Section 4 06 if, after giving effect thereto, such Restricted Group Member remains a Restricted Group Member and the Net Cash Proceeds of such issuance (other than an issuance by a Permitted International Joint Venture), sale transfer, conveyance or other disposition are applied in accordance with Section 4 06

(c) an issuance sale, transfer, conveyance or other disposition of Capital Stock of a Restricted Group Member such that,

(1) immediately after giving effect thereto, such Restricted Group Member would no longer constitute a Restricted Group Member,

(2) any remaining Investment in such Restricted Group Member by the Company or any other Restricted Subsidiary would have been permitted to be made at such time under Section 4 04 (and for purposes of Section 4 04, such Investment will be deemed to have been made at such time) and

(3) the Net Cash Proceeds of such issuance (other than an issuance by a Permitted International Joint Venture), sale transfer conveyance or other disposition are applied in accordance with Section 4 06,

(d) Capital Stock of a Restricted Group Member issued and outstanding on the Issue Date or the date of formation of such Restricted Group Member and, in each case held by Persons other than the Company or any Restricted Group Member and any additional Capital Stock (other than Disqualified Stock) issued as dividends or distributions on such Capital Stock or pursuant to preemptive or similar rights,

(e) Capital Stock of a Restricted Group Member issued and outstanding prior to the time that such Person becomes a Restricted Group Member, and

(f) any non-convertible Preferred Stock constituting Indebtedness and permitted to be Incurred under Section 4 03

SECTION 4 09 Change of Control. (a) Upon the occurrence of a Change of Control, each Holder shall have the right to require that the Company purchase such Holder's Securities at a purchase price in cash equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of holders of record on the relevant record date to receive interest on the relevant interest payment date), in accordance with the terms contemplated in Section 4 09(b)

(b) Within 30 days following any Change of Control the Company shall mail a notice to each Holder with a copy to the Trustee (the "Change of Control Offer") stating

(1) that a Change of Control has occurred and that such Holder has the right to require the Company to purchase such Holder's Securities at a purchase price in cash equal to 101% of the principal amount thereof plus accrued and unpaid interest, if any, to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest on the relevant interest payment date),

(2) the circumstances and relevant facts regarding such Change of Control (including information with respect to pro forma historical income, cash flow and

capitalization each after giving effect to such Change of Control),

(3) the purchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed), and

(4) the instructions determined by the Company, consistent with this Section that a Holder must follow in order to have its Securities purchased

(c) Holders electing to have a Security purchased will be required to surrender the Security, with an appropriate form duly completed to the Company at the address specified in the notice at least three Business Days prior to the purchase date. Holders will be entitled to withdraw their election if the Trustee or the Company receives not later than two Business Days prior to the purchase date, a telegram, telex facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Security which was delivered for purchase by the Holder and a statement that such Holder is withdrawing his election to have such Security purchased

(d) On the purchase date, all Securities purchased by the Company under this Section shall be delivered by the Company to the Trustee for cancellation and the Company shall pay the purchase price plus accrued and unpaid interest, if any to the Holders entitled thereto

(e) Notwithstanding the foregoing provisions of this Section the Company shall not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner at the times and otherwise in compliance with the requirements set forth in this Section applicable to a Change of Control Offer made by the Company and purchases all Securities validly tendered and not withdrawn under such Change-of-Control Offer

(f) The Company shall comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Securities pursuant to this Section. To the extent that the provisions of any securities laws or regulations conflict with provisions of this Section the Company shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under this Section by virtue of its compliance with such securities laws or regulations

SECTION 4 10 Limitation on Liens. The Company will not, and will not permit any Restricted Group Member to, directly or indirectly Incur or suffer to exist or become effective any Lien (the "Initial Lien") of any nature whatsoever on any of its property (including Capital Stock) whether owned at the Issue Date or thereafter acquired, or upon any income or profits therefrom (other than Permitted Liens) to secure any Indebtedness, without effectively providing that the Securities shall be secured (1) equally and ratably with (or prior to) the Indebtedness so secured for so long as such Indebtedness is so secured or (2) in the event such Indebtedness constitutes Subordinated Obligations, prior to such Indebtedness for so long as such Indebtedness is so secured

Any Lien created for the benefit of the Holders of the Securities pursuant to this Section shall provide by its terms that such Lien shall be automatically and unconditionally released and discharged upon the release and discharge of the Initial Lien

SECTION 4 11 Limitation on Sale/Leaseback Transactions. The Company will not, and will not permit any Restricted Group Member to, directly or indirectly, enter into assume, guarantee or otherwise become liable with respect to any Sale/Leaseback Transaction with respect to any property unless

(1) the Company or such Restricted Group Member would be entitled to (A) Incur Indebtedness in an amount equal to the Attributable Debt with respect to such Sale/Leaseback Transaction pursuant to Section 4 03 and (B) create a Lien on such property securing such Attributable Debt without equally and ratably securing the Securities pursuant to Section 4 10

(2) the net proceeds received by the Company or any Restricted Group Member in connection with such Sale/Leaseback Transaction are at least equal to the Fair Market Value of such property, and

(3) the Company applies the proceeds of such transaction in compliance with Section 4 06

SECTION 4 12 Compliance Certificate. The Company shall deliver to the Trustee within 120 days after the end of each fiscal year of the Company an Officers' Certificate stating that in the course of the performance by the signers of their duties as Officers of the Company they

would normally have knowledge of any Default and whether or not the signers know of any Default that occurred during such period. If they do, the certificate shall describe the Default, its status and what action the Company is taking or proposes to take with respect thereto. The Company also shall comply with TIA § 314(a)(4).

SECTION 4.13 Further Instruments and Acts. Upon request of the Trustee, the Company will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purpose of this Indenture.

ARTICLE 5

Successor Company

SECTION 5.01 When Company May Merge or Transfer Assets. (a) The Company shall not consolidate with or merge with or into or convey, transfer or lease, in one transaction or a series of transactions, directly or indirectly, all or substantially all its assets to, any Person unless

(1) the resulting, surviving or transferee Person (the "Successor Company") shall be a Person organized and existing under the laws of the United States of America, any State thereof or the District of Columbia and the Successor Company (if not the Company) shall expressly assume by an indenture supplemental hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee, all the obligations of the Company under the Securities, this Indenture and the Registration Rights Agreement,

(2) immediately after giving pro forma effect to such transaction (and treating any Indebtedness which becomes an obligation of the Successor Company or any Subsidiary as a result of such transaction as having been incurred by the Successor Company or such Subsidiary at the time of such transaction), no Default shall have occurred and be continuing,

(3) immediately after giving pro forma effect to such transaction, the Consolidated Leverage Ratio of the Successor Company shall be no worse than the Consolidated Leverage Ratio of the Company determined immediately prior to such transaction,

(4) if, as a result of any such transaction property or assets of the Successor Company would become subject to a Lien subject to Section 4 10, the Successor Company shall have secured the Securities as required by said Section and

(5) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture (if any) comply with this Indenture,

provided however, that clauses (3) and (4) will not be applicable to (A) a Restricted Subsidiary consolidating with merging into or transferring all or part of its properties and assets to the Company or (B) the Company merging with an Affiliate of the Company solely for the purpose and with the sole effect of reincorporating the Company in another jurisdiction

The Successor Company shall be the successor to the Company and shall succeed to and be substituted for and may exercise every right and power of, the Company under this Indenture but the predecessor Company in the case of a conveyance transfer or lease shall not be released from the obligation to pay the principal of and interest on the Securities

ARTICLE 6

Defaults and Remedies

SECTION 6 01 Events of Default. An "Event of Default" occurs if

(1) the Company defaults in any payment of interest on any Security when the same becomes due and payable, and such default continues for a period of 30 days

(2) the Company (i) defaults in the payment of the principal of any Security when the same becomes due and payable at its Stated Maturity, upon optional redemption, upon declaration or otherwise, or (ii) fails to redeem or purchase Securities when required pursuant to this Indenture or the Securities,

(3) the Company fails to comply with Section 5 01,

(4) the Company fails to comply with Section 4 02 4 03, 4 04, 4 05, 4 06 4 07 4 08, 4 09 4 10 or 4 11 (other than a failure to purchase Securities when required under Section 4 06 or 4 09) and such failure continues for 30 days after the notice specified below,

(5) the Company fails to comply with any of its agreements in the Securities or this Indenture (other than those referred to in clause (1), (2) (3) or (4) above) and such failure continues for 60 days after the notice specified below,

(6) Indebtedness of the Company or any Restricted Group Member is not paid within any applicable grace period after final maturity or is accelerated by the holders thereof because of a default and the total amount of such Indebtedness unpaid or accelerated exceeds \$25 0 million or its foreign currency equivalent at the time,

(7) the Company or any Significant Restricted Group Member pursuant to or within the meaning of any Bankruptcy Law

(A) commences a voluntary case,

(B) consents to the entry of an order for relief against it in an involuntary case,

(C) consents to the appointment of a Custodian of it or for any substantial part of its property, or

(D) makes a general assignment for the benefit of its creditors,

or takes any comparable action under any foreign laws relating to insolvency,

(8) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that

(A) is for relief against the Company or any Significant Restricted Group Member in an involuntary case

(B) appoints a Custodian of the Company or any Significant Restricted Group Member or for any substantial part of its property, or

(C) orders the winding up or liquidation of the Company or any Significant Restricted Group Member

or any similar relief is granted under any foreign laws and the order or decree remains unstayed and in effect for 60 days, or

(9) any judgment or decree for the payment of money in excess of \$25 0 million or its foreign currency equivalent at the time is entered against the Company or any Restricted Group Member, remains outstanding for a period of 60 consecutive days following the entry of such judgment or decree and is not discharged, waived or the execution thereof stayed within 10 days after the notice specified below

The foregoing will constitute Events of Default whatever the reason for any such Event of Default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment decree or order of any court or any order, rule or regulation of any administrative or governmental body

The term "Bankruptcy Law" means Title 11, United States Code, or any similar Federal or state law for the relief of debtors. The term "Custodian" means any receiver, trustee, assignee liquidator custodian or similar official under any Bankruptcy Law

A Default under clauses (4), (5) or (9) is not an Event of Default until the Trustee or the holders of at least 25% in principal amount of the outstanding Securities notify the Company of the Default and the Company does not cure such Default within the time specified after receipt of such notice. Such notice must specify the Default, demand that it be remedied and state that such notice is a "Notice of Default"

The Company shall deliver to the Trustee, within 30 days after the occurrence thereof written notice in the form of an Officers' Certificate of any Event of Default under clause (6) and any event which with the giving of notice or the lapse of time would become an Event of Default under clause (4) (5) or (9) its status and what action the Company is taking or proposes to take with respect thereto

SECTION 6 02 Acceleration. If an Event of Default (other than an Event of Default specified in Section 6 01(7) or (8) with respect to the Company) occurs

and is continuing the Trustee by notice to the Company, or the Holders of at least 25% in principal amount of the Securities by notice to the Company and the Trustee may declare the principal of and accrued but unpaid interest on all the Securities to be due and payable. Upon such a declaration, such principal and interest shall be due and payable immediately. If an Event of Default specified in Section 6 01(7) or (8) with respect to the Company occurs the principal of and interest on all the Securities shall ~~ipso facto~~ become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Securityholders. The Holders of a majority in principal amount of the Securities by notice to the Trustee may rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default have been cured or waived except nonpayment of principal or interest that has become due solely because of acceleration. No such rescission shall affect any subsequent Default or impair any right consequent thereto.

SECTION 6 03 Other Remedies. If an Event of Default occurs and is continuing the Trustee may pursue any available remedy to collect the payment of principal of or interest on the Securities or to enforce the performance of any provision of the Securities or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Securities or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Securityholder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. No remedy is exclusive of any other remedy. All available remedies are cumulative.

SECTION 6 04 Waiver of Past Defaults. The Holders of a majority in principal amount of the Securities by notice to the Trustee may waive an existing Default and its consequences except (i) a Default in the payment of the principal of or interest on a Security (ii) a Default arising from the failure to redeem or purchase any Security when required pursuant to this Indenture or (iii) a Default in respect of a provision that under Section 9 02 cannot be amended without the consent of each Securityholder affected. When a Default is waived, it is deemed cured, but no such waiver shall extend to any subsequent or other Default or impair any consequent right.

SECTION 6 05 Control by Majority. The Holders of a majority in principal amount of the Securities may direct the time method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture or subject to Section 7 01, that the Trustee determines is unduly prejudicial to the rights of other Securityholders or would involve the Trustee in personal liability provided however, that the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction. Prior to taking any action hereunder, the Trustee shall be entitled to indemnification satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action.

SECTION 6 06 Limitation on Suits. Except to enforce the right to receive payment of principal, premium (if any) or interest when due, no Securityholder may pursue any remedy with respect to this Indenture or the Securities unless

(1) the Holder gives to the Trustee written notice stating that an Event of Default is continuing,

(2) the Holders of at least 25% in principal amount of the Securities make a written request to the Trustee to pursue the remedy

(3) such Holder or Holders offer to the Trustee reasonable security or indemnity against any loss liability or expense,

(4) the Trustee does not comply with the request within 60 days after receipt of the request and the offer of security or indemnity, and

(5) the Holders of a majority in principal amount of the Securities do not give the Trustee a direction inconsistent with the request during such 60-day period

A Securityholder may not use this Indenture to prejudice the rights of another Securityholder or to obtain a preference or priority over another Securityholder

SECTION 6 07 Rights of Holders to Receive Payment. Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of

principal of and interest on the Securities held by such Holder, on or after the respective due dates expressed in the Securities, or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder

SECTION 6 08 Collection Suit by Trustee If an Event of Default specified in Section 6 01(1) or (2) occurs and is continuing the Trustee may recover judgment in its own name and as trustee of an express trust against the Company for the whole amount then due and owing (together with interest on any unpaid interest to the extent lawful) and the amounts provided for in Section 7 07

SECTION 6 09 Trustee May File Proofs of Claim The Trustee may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee and the Securityholders allowed in any judicial proceedings relative to the Company, its creditors or its property and unless prohibited by law or applicable regulations may vote on behalf of the Holders in any election of a trustee in bankruptcy or other Person performing similar functions, and any Custodian in any such judicial proceeding is hereby authorized by each Holder to make payments to the Trustee and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for the reasonable compensation expenses, disbursements and advances of the Trustee, its agents and its counsel and any other amounts due the Trustee under Section 7 07

SECTION 6 10 Priorities If the Trustee collects any money or property pursuant to this Article 6, it shall pay out the money or property in the following order

FIRST to the Trustee for amounts due under Section 7 07

SECOND to Securityholders for amounts due and unpaid on the Securities for principal and interest ratably, without preference or priority of any kind, according to the amounts due and payable on the Securities for principal and interest, respectively, and

THIRD to the Company

The Trustee may fix a record date and payment date for any payment to Securityholders pursuant to this Section. At least 15 days before such record date, the Company shall

mail to each Securityholder and the Trustee a notice that states the record date, the payment date and amount to be paid

SECTION 6 11 Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 5 07 or a suit by Holders of more than 10% in principal amount of the Securities

SECTION 6 12 Waiver of Stay or Extension Laws. The Company (to the extent it may lawfully do so) shall not at any time insist upon or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture, and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and shall not hinder delay or impede the execution of any power herein granted to the Trustee but shall suffer and permit the execution of every such power as though no such law had been enacted

ARTICLE 7

Trustee

SECTION 7 01. Duties of Trustee. (a) If an Event of Default has occurred and is continuing the Trustee shall exercise the rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise as a prudent Person would exercise or use under the circumstances in the conduct of such Person's own affairs

(b) Except during the continuance of an Event of Default

(1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants or obligations

shall be read into this Indenture against the Trustee, and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee shall examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture

(c) The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act or its own wilful misconduct except that

(1) this paragraph does not limit the effect of paragraph (b) of this Section

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Trust Officer unless it is proved that the Trustee was negligent in ascertaining the pertinent facts, and

(3) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05

(d) Every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b) and (c) of this Section

(e) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company

(f) Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law

(g) No provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties hereunder or in the exercise of any of its rights or powers if it shall have reasonable grounds to believe that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it

(h) Every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section and to the provisions of the TIA

SECTION 7 02 Rights of Trustee. (a) The Trustee may rely on any document believed by it to be genuine and to have been signed or presented by the proper person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting it may require an Officers' Certificate or an Opinion of Counsel. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on the Officers' Certificate or Opinion of Counsel.

(c) The Trustee may act through agents and shall not be responsible for the misconduct or negligence of any agent appointed with due care.

(d) The Trustee shall not be liable for any action it takes or omits to take in good faith which it believes to be authorized or within its rights or powers, provided however that the Trustee's conduct does not constitute wilful misconduct or negligence.

(e) The Trustee may consult with counsel and the advice or opinion of counsel with respect to legal matters relating to this Indenture and the Securities shall be full and complete authorization and protection from liability in respect to any action taken omitted or suffered by it hereunder in good faith and in accordance with the advice or opinion of such counsel.

SECTION 7 03 Individual Rights of Trustee. The Trustee in its individual or any other capacity may become the owner or pledgee of Securities and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee. Any Paying Agent, Registrar, co-registrar or co-paying agent may do the same with like rights. However the Trustee must comply with Sections 7 10 and 7 11.

SECTION 7 04 Trustee's Disclaimer. The Trustee shall not be responsible for and makes no representation as to the validity or adequacy of this Indenture or the Securities, it shall not be accountable for the Company's use of the proceeds from the Securities, and it shall not be responsible for any statement of the Company in the Inden-

ture or in any document issued in connection with the sale of the Securities or in the Securities other than the Trustee's certificate of authentication

SECTION 7 05 Notice of Defaults If a Default occurs and is continuing and if it is known to the Trustee, the Trustee shall mail to each Securityholder notice of the Default within 90 days after it occurs. Except in the case of a Default in payment of principal of or interest on any Security (including payments pursuant to the mandatory redemption provisions of such Security if any), the Trustee may withhold the notice if and so long as a committee of its Trust Officers in good faith determines that withholding the notice is in the interests of Securityholders

SECTION 7 06 Reports by Trustee to Holders As promptly as practicable after each May 15 beginning with the May 15 following the date of this Indenture and in any event prior to July 15 in each year, the Trustee shall mail to each Securityholder a brief report dated as of May 15 that complies with TIA § 313(a). The Trustee also shall comply with TIA § 313(b)

A copy of each report at the time of its mailing to Securityholders shall be filed with the SEC and each stock exchange (if any) on which the Securities are listed. The Company agrees to notify promptly the Trustee whenever the Securities become listed on any stock exchange and of any delisting thereof

SECTION 7 07 Compensation and Indemnity The Company shall pay to the Trustee from time to time reasonable compensation for its services. The Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Company shall reimburse the Trustee upon request for all reasonable out-of-pocket expenses incurred or made by it, including costs of collection in addition to the compensation for its services. Such expenses shall include the reasonable compensation and expenses, disbursements and advances of the Trustee's agents, counsel, accountants and experts. The Company shall indemnify the Trustee against any and all loss, liability or expense (including attorneys' fees) incurred by it in connection with the administration of this trust and the performance of its duties hereunder. The Trustee shall notify the Company promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Company shall not relieve the Company of its obligations hereunder. The Company shall defend the claim and the Trustee may have separate counsel and the Company

shall pay the fees and expenses of such counsel. The Company need not reimburse any expense or indemnify against any loss, liability or expense incurred by the Trustee through the Trustee's own wilful misconduct, negligence or bad faith.

To secure the Company's payment obligations in this Section, the Trustee shall have a lien prior to the Securities on all money or property held or collected by the Trustee other than money or property held in trust to pay principal of and interest on particular Securities.

The Company's payment obligations pursuant to this Section shall survive the discharge of this Indenture. When the Trustee incurs expenses after the occurrence of a Default specified in Section 6.01(7) or (8) with respect to the Company, the expenses are intended to constitute expenses of administration under the Bankruptcy Law.

SECTION 7.08 Replacement of Trustee. The Trustee may resign at any time by so notifying the Company. The Holders of a majority in principal amount of the Securities may remove the Trustee by so notifying the Trustee and may appoint a successor Trustee. The Company shall remove the Trustee if

- (1) the Trustee fails to comply with Section 7.10,
- (2) the Trustee is adjudged bankrupt or insolvent
- (3) a receiver or other public officer takes charge of the Trustee or its property, or
- (4) the Trustee otherwise becomes incapable of acting.

If the Trustee resigns or is removed by the Company or by the Holders of a majority in principal amount of the Securities and such Holders do not reasonably promptly appoint a successor Trustee or if a vacancy exists in the office of Trustee for any reason (the Trustee in such event being referred to herein as the retiring Trustee), the Company shall promptly appoint a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall

mail a notice of its succession to Securityholders. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, subject to the lien provided for in Section 7 07.

If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee or the Holders of 10% in principal amount of the Securities may petition any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee fails to comply with Section 7 10, any Securityholder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

Notwithstanding the replacement of the Trustee pursuant to this Section, the Company's obligations under Section 7 07 shall continue for the benefit of the retiring Trustee.

SECTION 7 09 Successor Trustee by Merger. If the Trustee consolidates with, merges or converts into, or transfers all or substantially all its corporate trust business or assets to another corporation or banking association, the resulting surviving or transferee corporation without any further act shall be the successor Trustee.

In case at the time such successor or successors by merger, conversion or consolidation to the Trustee shall succeed to the trusts created by this Indenture, any of the Securities shall have been authenticated but not delivered, any such successor to the Trustee may adopt the certificate of authentication of any predecessor trustee and deliver such Securities so authenticated, and in case at that time any of the Securities shall not have been authenticated, any successor to the Trustee may authenticate such Securities either in the name of any predecessor hereunder or in the name of the successor to the Trustee, and in all such cases such certificates shall have the full force which it is anywhere in the Securities or in this Indenture provided that the certificate of the Trustee shall have

SECTION 7 10 Eligibility, Disqualification. The Trustee shall at all times satisfy the requirements of TIA § 310(a). The Trustee shall have a combined capital and surplus of at least \$50,000,000 as set forth in its most recent published annual report of condition. The Trustee shall comply with TIA § 310(b), provided however, that

there shall be excluded from the operation of TIA § 310(b) (1) any indenture or indentures under which other securities or certificates of interest or participation in other securities of the Company are outstanding if the requirements for such exclusion set forth in TIA § 310(b) (1) are met

SECTION 7 11 Preferential Collection of Claims Against Company. The Trustee shall comply with TIA § 311(a) excluding any creditor relationship listed in TIA § 311(b). A Trustee who has resigned or been removed shall be subject to TIA § 311(a) to the extent indicated

ARTICLE 8

Discharge of Indenture. Defeasance

SECTION 8 01 Discharge of Liability on Securities. Defeasance. (a) When (1) the Company delivers to the Trustee all outstanding Securities (other than Securities replaced pursuant to Section 2 07) for cancellation or (2) all outstanding Securities have become due and payable, whether at maturity or on a redemption date as a result of the mailing of a notice of redemption pursuant to Article 3 hereof and the Company irrevocably deposits with the Trustee funds sufficient to pay at maturity or upon redemption all outstanding Securities including interest thereon to maturity or such redemption date (other than Securities replaced pursuant to Section 2 07), and if in either case the Company pays all other sums payable hereunder by the Company then this Indenture shall subject to Sections 8 01(c) and 8 01(d), cease to be of further effect. The Trustee shall acknowledge satisfaction and discharge of this Indenture on demand of the Company accompanied by an Officers' Certificate and an Opinion of Counsel and at the cost and expense of the Company

(b) Subject to Sections 8 01(c), 8 01(d) and 8 02, the Company at any time may terminate (1) all its obligations under the Securities and this Indenture ("legal defeasance option") or (2) its obligations under Sections 4 02, 4 03, 4 04, 4 05, 4 06, 4 07, 4 08, 4 09, 4 10 and 4 11 and the operation of Sections 6 01(4), 6 01(6), 6 01(7), 6 01(8) and 6 01(9) (but in the case of Sections 6 01(7) and (8), with respect only to Significant Restricted Group Members) and the limitations contained in Sections 5 01(a) (3) and (4) ("covenant defeasance option"). The Company may exercise its legal defeasance option not-

withstanding its prior exercise of its covenant defeasance option

If the Company exercises its legal defeasance option payment of the Securities may not be accelerated because of an Event of Default with respect thereto. If the Company exercises its covenant defeasance option payment of the Securities may not be accelerated because of an Event of Default specified in Sections 6 01(4), 6 01(6), 6 01(7) 6 01(8) and 6 01(9) (but, in the case of Sections 6 01(7) and (8) with respect only to Significant Restricted Group Members) or because of the failure of the Company to comply with Section 5 01(a) (3) or (4).

Upon satisfaction of the conditions set forth herein and upon request of the Company, the Trustee shall acknowledge in writing the discharge of those obligations that the Company terminates

(c) Notwithstanding Sections 8 01(a) and 8 01(b) above, the Company's obligations in Sections 2 03, 2 04 2 05 2 06 2 07 2 08 7 07 and 7 08 and in this Article 8 shall survive until the Securities have been paid in full. Thereafter the Company's obligations in Sections 7 07, 8 04 and 8 05 shall survive

(d) Notwithstanding Sections 8 01(a) and 8 01(b) above this Indenture shall remain in effect regardless of satisfaction of the conditions set forth in Section 8 01(a), and the Company may not exercise its legal defeasance option or covenant defeasance option so long as any loans are outstanding under the Credit Agreement or any commitments to make loans thereunder remain in effect

SECTION 8 02 Conditions to Defeasance. The Company may exercise its legal defeasance option or its covenant defeasance option only if

(1) the Company irrevocably deposits in trust with the Trustee money or U S Government Obligations for the payment of principal of and interest on the Securities to maturity or redemption, as the case may be

(2) the Company delivers to the Trustee a certificate from a nationally recognized firm of independent accountants expressing their opinion that the payments of principal and interest when due and without reinvestment on the deposited U S Government Obligations plus any deposited money without investment will provide cash at such times and in such amounts as

will be sufficient to pay principal and interest when due on all the Securities to maturity or redemption, as the case may be,

(3) 123 days pass after the deposit is made and during the 123-day period no Default specified in Sections 6 01(7) or (8) with respect to the Company occurs which is continuing at the end of the period,

(4) the deposit does not constitute a default under any other agreement binding on the Company,

(5) the Company delivers to the Trustee an Opinion of Counsel to the effect that the trust resulting from the deposit does not constitute or is qualified as a regulated investment company under the Investment Company Act of 1940

(6) in the case of the legal defeasance option, the Company shall have delivered to the Trustee an Opinion of Counsel stating that (A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling, or (B) since the date of this Indenture there has been a change in the applicable Federal income tax law in either case to the effect that and based thereon such Opinion of Counsel shall confirm that, the Securityholders will not recognize income gain or loss for Federal income tax purposes as a result of such defeasance and will be subject to Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance had not occurred

(7) in the case of the covenant defeasance option, the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Securityholders will not recognize income gain or loss for Federal income tax purposes as a result of such covenant defeasance and will be subject to Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such covenant defeasance had not occurred and

(8) the Company delivers to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent to the defeasance and discharge of the Securities as contemplated by this Article 8 have been complied with

Before or after a deposit the Company may make arrangements satisfactory to the Trustee for the redemption of Securities at a future date in accordance with Article 3

SECTION 8.03 Application of Trust Money. The Trustee shall hold in trust money or U S Government Obligations deposited with it pursuant to this Article 8. It shall apply the deposited money and the money from U S Government Obligations through the Paying Agent and in accordance with this Indenture to the payment of principal of and interest on the Securities.

SECTION 8.04 Repayment to Company. The Trustee and the Paying Agent shall promptly turn over to the Company upon request any excess money or securities held by them at any time.

Subject to any applicable abandoned property law the Trustee and the Paying Agent shall pay to the Company upon request any money held by them for the payment of principal or interest that remains unclaimed for two years, and, thereafter, Securityholders entitled to the money must look to the Company for payment as general creditors.

SECTION 8.05 Indemnity for Government Obligations. The Company shall pay and shall indemnify the Trustee against any tax, fee or other charge imposed on or assessed against deposited U S Government Obligations or the principal and interest received on such U S Government Obligations.

SECTION 8.06 Reinstatement. If the Trustee or Paying Agent is unable to apply any money or U S Government Obligations in accordance with this Article 8 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's obligations under this Indenture and the Securities shall be revived and reinstated as though no deposit had occurred pursuant to this Article 8 until such time as the Trustee or Paying Agent is permitted to apply all such money or U S Government Obligations in accordance with this Article 8, provided, however, that, if the Company has made any payment of interest on or principal of any Securities because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Securities to receive such payment from the money or U S Government Obligations held by the Trustee or Paying Agent.

ARTICLE 9

Amendments

SECTION 9 01 Without Consent of Holders The Company and the Trustee may amend this Indenture or the Securities without notice to or consent of any Securityholder

(1) to cure any ambiguity, omission, defect or inconsistency,

(2) to comply with Article 5,

(3) to provide for uncertificated Securities in addition to or in place of certificated Securities provided, however that the uncertificated Securities are issued in registered form for purposes of Section 163(f) of the Code or in a manner such that the uncertificated Securities are described in Section 163(f)(2)(B) of the Code

(4) to add guarantees with respect to the Securities or to secure the Securities,

(5) to add to the covenants of the Company for the benefit of the Holders or to surrender any right or power herein conferred upon the Company

(6) to comply with any requirements of the SEC in connection with qualifying, or maintaining the qualification of, this Indenture under the TIA or

(7) to make any change that does not adversely affect the rights of any Securityholder

After an amendment under this Section becomes effective the Company shall mail to Securityholders a notice briefly describing such amendment. The failure to give such notice to all Securityholders, or any defect therein shall not impair or affect the validity of an amendment under this Section

SECTION 9 02 With Consent of Holders The Company and the Trustee may amend this Indenture or the Securities without notice to any Securityholder but with the written consent of the Holders of at least a majority in principal amount of the Securities then outstanding (including consents obtained in connection with a tender

offer or exchange for the Securities) However, without the consent of each Securityholder affected thereby, an amendment may not

(1) reduce the amount of Securities whose Holders must consent to an amendment,

(2) reduce the rate of or extend the time for payment of interest on any Security

(3) reduce the principal amount of or extend the Stated Maturity of any Security

(4) reduce the amount payable upon the redemption of any Security or change the time at which any Security may be redeemed in accordance with Article 3,

(5) make any Security payable in money other than that stated in the Security,

(6) make any changes in the ranking or priority of any Security that would adversely affect the Securityholders, or

(7) make any change in Section 6 04 or 6 07 or the second sentence of this Section

It shall not be necessary for the consent of the Holders under this Section to approve the particular form of any proposed amendment, but it shall be sufficient if such consent approves the substance thereof

After an amendment under this Section becomes effective the Company shall mail to Securityholders a notice briefly describing such amendment The failure to give such notice to all Securityholders, or any defect therein, shall not impair or affect the validity of an amendment under this Section

SECTION 9 03 Compliance with Trust Indenture Act. Every amendment to this Indenture or the Securities shall comply with the TIA as then in effect

SECTION 9 04 Revocation and Effect of Consents and Waivers. A consent to an amendment or a waiver by a Holder of a Security shall bind the Holder and every subsequent Holder of that Security or portion of the Security that evidences the same debt as the consenting Holder's Security, even if notation of the consent or waiver is not made on the Security However, any such Holder or subse-

quent Holder may revoke the consent or waiver as to such Holder's Security or portion of the Security if the Trustee receives the notice of revocation before the date the amendment or waiver becomes effective. After an amendment or waiver becomes effective it shall bind every Securityholder. An amendment or waiver becomes effective upon the execution of such amendment or waiver by the Trustee.

The Company may but shall not be obligated to fix a record date for the purpose of determining the Securityholders entitled to give their consent or take any other action described above or required or permitted to be taken pursuant to this Indenture. If a record date is fixed then notwithstanding the immediately preceding paragraph those Persons who were Securityholders at such record date (or their duly designated proxies) and only those Persons, shall be entitled to give such consent or to revoke any consent previously given or to take any such action whether or not such Persons continue to be Holders after such record date. No such consent shall be valid or effective for more than 120 days after such record date.

SECTION 9 05 Notation on or Exchange of Securities. If an amendment changes the terms of a Security, the Trustee may require the Holder of the Security to deliver it to the Trustee. The Trustee may place an appropriate notation on the Security regarding the changed terms and return it to the Holder. Alternatively, if the Company or the Trustee so determines, the Company in exchange for the Security shall issue and the Trustee shall authenticate a new Security that reflects the changed terms. Failure to make the appropriate notation or to issue a new Security shall not affect the validity of such amendment.

SECTION 9 06 Trustee To Sign Amendments. The Trustee shall sign any amendment authorized pursuant to this Article 9 if the amendment does not adversely affect the rights, duties, liabilities or immunities of the Trustee. If it does the Trustee may but need not sign it. In signing such amendment the Trustee shall be entitled to receive indemnity reasonably satisfactory to it and to receive, and (subject to Section 7 01) shall be fully protected in relying upon, an Officers' Certificate and an Opinion of Counsel stating that such amendment is authorized or permitted by this Indenture.

SECTION 9 07 Payment For Consent. Neither the Company nor any Affiliate of the Company shall, directly or indirectly pay or cause to be paid any consideration whether by way of interest, fee or otherwise, to any Holder

for or as an inducement to any consent waiver or amendment of any of the terms or provisions of this Indenture or the Securities unless such consideration is offered to be paid to all Holders that so consent, waive or agree to amend in the time frame set forth in solicitation documents relating to such consent waiver or agreement

ARTICLE 10

Miscellaneous

SECTION 10 01 Trust Indenture Act Controls If any provision of this Indenture limits qualifies or conflicts with another provision which is required to be included in this Indenture by the TIA, the required provision shall control

SECTION 10 02 Notices Any notice or communication shall be in writing and delivered in person mailed by first-class mail or transmitted by facsimile (with written confirmation of receipt) addressed as follows

if to the Company

Winstar Communications Inc
685 Third Avenue
Thirty-first Floor
New York, New York 10017
Facsimile 212-584-4001

Attention of General Counsel

if to the Trustee

United States Trust Company of New York
114 West 47th Street
New York New York 10036-1532
Facsimile 212-852-1627

Attention of Corporate Trust Division

The Company or the Trustee by notice to the other may designate additional or different addresses for subsequent notices or communications

Any notice or communication mailed to a Securityholder shall be mailed to the Securityholder at the Securityholder's address as it appears on the registration

books of the Registrar and shall be sufficiently given if so mailed within the time prescribed

Failure to mail a notice or communication to a Securityholder or any defect in it shall not affect its sufficiency with respect to other Securityholders. If a notice or communication is mailed in the manner provided above, it is duly given whether or not the addressee receives it.

SECTION 10 03 Communication by Holders with Other Holders. Securityholders may communicate pursuant to TIA § 312(b) with other Securityholders with respect to their rights under this Indenture or the Securities. The Company, the Trustee, the Registrar and anyone else shall have the protection of TIA § 312(c).

SECTION 10 04 Certificate and Opinion as to Conditions Precedent. Upon any request or application by the Company to the Trustee to take or refrain from taking any action under this Indenture, the Company shall furnish to the Trustee

(1) an Officers' Certificate in form and substance reasonably satisfactory to the Trustee stating that, in the opinion of the signers, all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and

(2) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee stating that, in the opinion of such counsel, all such conditions precedent have been complied with

SECTION 10 05 Statements Required in Certificate or Opinion. Each certificate or opinion with respect to compliance with a covenant or condition provided for in this Indenture shall include

(1) a statement that the individual making such certificate or opinion has read such covenant or condition,

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based,

(3) a statement that, in the opinion of such individual, he has made such examination or

investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with, and

(4) a statement as to whether or not in the opinion of such individual such covenant or condition has been complied with

SECTION 10 06 Rules by Trustee, Paying Agent and Registrar. The Trustee may make reasonable rules for action by or a meeting of Securityholders. The Registrar and the Paying Agent may make reasonable rules for their functions

SECTION 10 07 Legal Holidays. A "Legal Holiday" is a Saturday a Sunday or a day on which banking institutions are not required to be open in the State of New York. If a payment date is a Legal Holiday, payment shall be made on the next succeeding day that is not a Legal Holiday and no interest shall accrue for the intervening period. If a regular record date is a Legal Holiday, the record date shall not be affected

SECTION 10 08 Governing Law. This Indenture and the Securities shall be governed by, and construed in accordance with the laws of the State of New York but without giving effect to applicable principles of conflicts of law to the extent that the application of the laws of another jurisdiction would be required thereby

SECTION 10 09 No Recourse Against Others. A director officer employee or stockholder, as such, of the Company shall not have any liability for any obligations of the Company under the Securities or this Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Security, each Securityholder shall waive and release all such liability. The waiver and release shall be part of the consideration for the issue of the Securities

SECTION 10 10 Successors. All agreements of the Company in this Indenture and the Securities shall bind its successors. All agreements of the Trustee in this Indenture shall bind its successors

SECTION 10 11 Multiple Originals. The parties may sign any number of copies of this Indenture. Each signed copy shall be an original but all of them together represent the same agreement. One signed copy is enough to prove this Indenture

SECTION 10.12 Table of Contents, Headings The table of contents, cross-reference sheet and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not intended to be considered a part hereof and shall not modify or restrict any of the terms or provisions hereof

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IN WITNESS WHEREOF the parties have caused this
Indenture to be duly executed as of the date first written
above

WINSTAR COMMUNICATIONS, INC ,

by

Name
Title

UNITED STATES TRUST COMPANY
OF NEW YORK

by

Name
Title

EXHIBIT 1

[FORM OF SECURITY]

[Global Securities Legend]*

UNLESS THIS GLOBAL SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC") NEW YORK NEW YORK, TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY GLOBAL SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC) ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO HAS AN INTEREST HEREIN

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF

*/[If the Security is to be issued in global form add the Global Securities Legend and the attachment to Exhibit 1 captioned "[TO BE ATTACHED TO GLOBAL SECURITIES] - SCHEDULE OF INCREASES OR DECREASES IN GLOBAL SECURITY"]

No _____ \$ _____
CUSIP No _____
ISIN No _____
Common Code No _____

Senior Notes Due 2010

Winstar Communications Inc a Delaware
corporation, promises to pay to _____,
or its registered assigns the principal sum of
_____ Dollars on April 15, 2010

Interest Payment Dates April 15 and October 15

Record Dates April 1 and October 1

Additional provisions of this Security are set
forth on the other side of this Security

Dated _____

WINSTAR COMMUNICATIONS, INC ,

by _____

Name
Title

by _____

Name
Title

TRUSTEE'S CERTIFICATE OF
AUTHENTICATION

UNITED STATES TRUST COMPANY
OF NEW YORK
as Trustee, certifies
that this is one of
the Securities referred
to in the Indenture

by _____

Authorized Signatory

[FORM OF REVERSE SIDE OF SECURITY]

Senior Notes Due 2010

1 Interest

Winstar Communications Inc a Delaware corporation (such corporation, and its successors and assigns under the Indenture hereinafter referred to, being herein called the "Company"), promises to pay interest on the principal amount of this Security at a rate per annum (the "Specified Interest Rate") equal to (1) the "Yield to Worst Call" on the Company's 12-% Senior Notes due 2010 (issued under an indenture dated as of the Issue Date between the Company and the Trustee), as published by Bloomberg L P under the heading "Yields to Call" at 4 p m on the Conversion Date of this Security (or such other time on such date as shall be agreed by the Company and the Holders of this Security), as calculated using a bid price quoted as of 4 p m on such date by the Holders of this Security (or as of such other time on such date as shall be agreed by the Company and the Holders of this Security) plus (11) 2 00%

The Company will pay interest semiannually on April 15 and October 15 of each year commencing on the first such date after the Conversion Date of this Security Interest on this Security will accrue from the most recent date to which interest has been paid or if no interest has been paid from the Conversion Date of this Security Interest will be computed on the basis of a 360-day year of twelve 30-day months The Company will pay interest on overdue principal at 1% per annum in excess of the Specified Interest Rate for this Security and will pay interest on overdue installments of interest at such higher rate to the extent lawful

2 Method of Payment

The Company will pay interest on the Securities (except defaulted interest) to the Persons who are registered holders of Securities at the close of business on the April 1 or October 1 next preceding the interest payment date even if Securities are canceled after the record date and on or before the interest payment date Holders must surrender Securities to a Paying Agent to collect principal payments The Company will pay principal and interest in money of the United States that at the time of payment is

legal tender for payment of public and private debts. Payments in respect of the Securities represented by a Global Security (including principal, premium and interest) will be made by wire transfer of immediately available funds to the accounts specified by The Depository Trust Company. The Company will make all payments in respect of a certificated Security (including principal, premium and interest) by mailing a check to the registered address of each Holder thereof provided however that payments on a certificated Security will be made by wire transfer to a U.S. dollar account maintained by the payee with a bank in the United States if such Holder elects payment by wire transfer by giving written notice to the Trustee or the Paying Agent to such effect designating such account no later than 30 days immediately preceding the relevant due date for payment (or such other date as the Trustee may accept in its discretion).

3 Paying Agent and Registrar

Initially, United States Trust Company of New York, a New York corporation (the Trustee), will act as Paying Agent and Registrar. The Company may appoint and change any Paying Agent, Registrar or co-registrar without notice. The Company or any of its domestically incorporated Wholly Owned Subsidiaries may act as Paying Agent, Registrar or co-registrar.

4 Indenture

The Company issued the Securities under an Indenture dated as of { }, 2000 (the "Indenture") between the Company and the Trustee. The terms of the Securities include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939 (15 U.S.C. §§ 77aaa-77bbbb) as in effect on the date of the Indenture (the "Act"). Terms defined in the Indenture and not defined herein have the meanings ascribed thereto in the Indenture. The Securities are subject to all such terms and Securityholders are referred to the Indenture and the Act for a statement of those terms.

The Securities are general unsecured obligations of the Company. The Securities issued on any Conversion Date, and all Securities issued upon the transfer, exchange or replacement thereof, will be treated as a single class for all purposes under the Indenture. The Indenture

contains covenants that limit the ability of the Company and its Restricted Group Members to incur additional indebtedness, pay dividends or distributions on, or redeem or repurchase capital stock make investments issue or sell capital stock of Restricted Group Members, engage in transactions with affiliates, create liens on assets, transfer or sell assets, guarantee indebtedness, restrict dividends or other payments of Restricted Group Members, consolidate, merge or transfer all or substantially all of its assets and the assets of its subsidiaries, and engage in sale/leaseback transactions. These covenants are subject to important exceptions and qualifications.

The Indenture limits the original aggregate principal amount of the Securities to \$2,000,000,000 (subject to Section 2.07 of the Indenture).

5 Optional Redemption

Except as set forth below, the Company shall not be entitled to redeem the Securities at its option prior to April 15, 2005.

On and after April 15, 2005, the Company shall be entitled at its option to redeem all or a portion of the Securities upon not less than 30 nor more than 60 days' notice. The redemption price with respect to any such redemption of all or a portion of this Security shall be the sum of the principal amount of this Security so redeemed, plus accrued interest thereon to the redemption date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date), plus a redemption premium equal to the principal amount of this Security so redeemed multiplied by the Premium Percentage as of the redemption date. The "Premium Percentage" as of any redemption date shall be a percentage determined by multiplying the Specified Interest Rate for this Security by the percentage set forth below.

opposite the period during which such redemption date occurs

12-Month Period Commencing on April 15 of the Year Indicated	Redemption Price
2005	50%
2006	33-1/3%
2007	16-2/3%
2008 and thereafter	0 00%

In addition prior to April 15, 2003 the Company shall be entitled at its option on one or more occasions to redeem Securities in an aggregate principal amount not to exceed 35% of the aggregate principal amount of the Securities originally issued with the net cash proceeds from one or more Public Equity Offerings, provided however, that (1) at least 65% of such aggregate principal amount of Securities remains outstanding immediately after the occurrence of each such redemption (other than Securities held, directly or indirectly, by the Company or its Affiliates); and (2) each such redemption occurs within 90 days after the closing date of the related Public Equity Offering. The redemption price with respect to any such redemption of all or any portion of this Security shall be the sum of the principal amount of this Security so redeemed, plus accrued and unpaid interest thereon to the redemption date plus a redemption premium equal to the principal amount of this Security so redeemed multiplied by a percentage equal to the Specified Interest Rate for this Security.

6 Notice of Redemption

Notice of redemption will be mailed at least 30 days but not more than 60 days before the redemption date to each Holder of Securities to be redeemed at his registered address. Securities in denominations larger than \$1,000 principal amount may be redeemed in part but only in whole multiples of \$1,000. If money sufficient to pay the redemption price of and accrued interest on all Securities (or portions thereof) to be redeemed on the redemption date is deposited with the Paying Agent on or before the redemption date and certain other conditions are satisfied, on and after such date interest ceases to accrue on such Securities (or such portions thereof) called for redemption.

7 Put Provisions

Upon a Change of Control, any Holder of Securities will have the right to cause the Company to repurchase all or any part of the Securities of such Holder at a repurchase price equal to 101% of the principal amount of the Securities to be repurchased plus accrued interest to the date of repurchase (subject to the right of holders of record on the relevant record date to receive interest due on the related interest payment date) as provided in and subject to the terms of the Indenture

8 Denominations, Transfer, Exchange

The Securities are in registered form without coupons in denominations of \$1,000 principal amount and whole multiples of \$1 000. A Holder may transfer or exchange Securities in accordance with the Indenture. The Registrar may require a Holder among other things, to furnish appropriate endorsements or transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Registrar need not register the transfer of or exchange any Securities selected for redemption (except, in the case of a Security to be redeemed in part, the portion of the Security not to be redeemed) or any Securities for a period of 15 days before a selection of Securities to be redeemed or 15 days before an interest payment date.

9 Persons Deemed Owners

The registered Holder of this Security may be treated as the owner of it for all purposes.

10 Unclaimed Money

If money for the payment of principal or interest remains unclaimed for two years, the Trustee or Paying Agent shall pay the money back to the Company at its request unless an abandoned property law designates another Person. After any such payment, Holders entitled to the money must look only to the Company and not to the Trustee for payment.

11 Discharge and Defeasance

Subject to certain conditions the Company at any time shall be entitled to terminate some or all of its obligations under the Securities and the Indenture if the Company deposits with the Trustee money or U S Government Obligations for the payment of principal and interest on the Securities to redemption or maturity as the case may be

12 Amendment, Waiver

Subject to certain exceptions set forth in the Indenture (i) the Indenture and the Securities may be amended with the written consent of the Holders of at least a majority in principal amount outstanding of the Securities and (ii) any default or noncompliance with any provision may be waived with the written consent of the Holders of a majority in principal amount outstanding of the Securities Subject to certain exceptions set forth in the Indenture without the consent of any Securityholder, the Company and the Trustee shall be entitled to amend the Indenture or the Securities to cure any ambiguity, omission defect or inconsistency, or to comply with Article 5 of the Indenture, or to provide for uncertificated Securities in addition to or in place of certificated Securities or to add guarantees with respect to the Securities or to secure the Securities, or to add additional covenants or surrender rights and powers conferred on the Company, or to comply with any request of the SEC in connection with qualifying the Indenture under the Act or to make any change that does not adversely affect the rights of any Securityholder

13 Defaults and Remedies

Under the Indenture, Events of Default include (i) default for 30 days in payment of interest on the Securities, (ii) default in payment of principal on the Securities at maturity, upon redemption pursuant to paragraph 5 of the Securities upon acceleration or otherwise or failure by the Company to purchase Securities when required (iii) failure by the Company to comply with other agreements in the Indenture or the Securities, in certain cases subject to notice and lapse of time, (iv) certain accelerations (including failure to pay within any grace period after final maturity) of other Indebtedness of the Company if the amount accelerated (or so unpaid) exceeds \$25 0 million, (v) certain events of bankruptcy or insolvency with respect to the Company and the Significant

Restricted Group Members and (vi) certain judgments or decrees for the payment of money in excess of \$25 0 million. If an Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the Securities may declare all the Securities to be due and payable immediately. Certain events of bankruptcy or insolvency are Events of Default which will result in the Securities being due and payable immediately upon the occurrence of such Events of Default.

Securityholders may not enforce the Indenture or the Securities except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Securities unless it receives indemnity or security satisfactory to it. Subject to certain limitations, Holders of a majority in principal amount of the Securities may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Securityholders notice of any continuing Default (except a Default in payment of principal or interest) if it determines that withholding notice is in the interest of the Holders.

14 Trustee Dealings with the Company

Subject to certain limitations imposed by the Act, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

15 No Recourse Against Others

A director, officer, employee or stockholder, as such, of the Company or the Trustee shall not have any liability for any obligations of the Company under the Securities or the Indenture or for any claim based on in respect of or by reason of such obligations or their creation. By accepting a Security, each Securityholder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Securities.

16 Authentication

This Security shall not be valid until an authorized signatory of the Trustee (or an authenticating agent) manually signs the certificate of authentication on the other side of this Security

17 Abbreviations

Customary abbreviations may be used in the name of a Securityholder or an assignee such as TEN COM (=tenants in common), TEN ENT (=tenants by the entireties) JT TEN (=joint tenants with rights of survivorship and not as tenants in common) CUST (=custodian) and U/G/M/A (=Uniform Gift to Minors Act)

18 CUSIP, ISIN and Common Code Numbers

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures the Company has caused CUSIP numbers to be printed on the Securities and has directed the Trustee to use CUSIP numbers in notices of redemption as a convenience to Securityholders. To the extent such numbers have been issued, the Company has caused ISIN and Common Code numbers to be similarly printed on the Securities and has similarly instructed the Trustee. No representation is made as to the accuracy of such numbers either as printed on the Securities or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

19 Governing Law.

THIS SECURITY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK BUT WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY

The Company will furnish to any Securityholder upon written request and without charge to the Securityholder a copy of the Indenture which has in it the text of this Security in larger type. Requests may be made to

Winstar Communications, Inc
685 Third Avenue
Thirty-first Floor
New York NY 10019

Attention General Counsel

ASSIGNMENT FORM

To assign this Security fill in the form below

I or we assign and transfer this Security to

(Print or type assignee's name address and zip code)

(Insert assignee's soc sec or tax I D No)

and irrevocably appoint _____ agent to
transfer this Security on the books of the Company The
agent may substitute another to act for him

Date _____ your Signature _____

Sign exactly as your name appears on the other side of this
Security

[TO BE ATTACHED TO GLOBAL SECURITIES]

SCHEDULE OF INCREASES OR DECREASES IN GLOBAL SECURITY

The following increases or decreases in this
Global Security have been made

Date of Exchange	Amount of decrease in Principal amount of this Global Security	Amount of increase in Principal amount of this Global Security	Principal amount of this Global Security (following such decrease or increase)	Signature of authorized officer of Trustee or Securities Custodian
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OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Security purchased by the Company pursuant to Section 4.06 or 4.09 of the Indenture, check the box

☐

If you want to elect to have only part of this Security purchased by the Company pursuant to Section 4.06 or 4.09 of the Indenture state the amount in principal amount \$_____

Date _____

Your Signature _____

(Sign exactly as your name
appears on the other side of
this Security)

Signature Guarantee _____

(Signature must be guaranteed)

Signatures must be guaranteed by an eligible guarantor institution meeting the requirements of the Registrar which requirements include membership or participation in the Security Transfer Agent Medallion Program (STAMP) or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934 as amended

EXHIBIT 2

FORM OF CONVERSION CERTIFICATE

Conversion Certificate

Pursuant to Section 2.02 of the Indenture dated as of [], 2000 (the "Indenture") by and among Winstar Communications Inc (the "Company"), and United States Trust Company of New York as trustee (the "Trustee"), the undersigned officer of Lucent Technologies Inc ("Lucent") hereby certifies (capitalized terms used but not defined herein have the meanings given to them in the Indenture)

- 1 A Refinancing Period has commenced and is continuing and all of the conditions precedent under the Credit Agreement to the conversion into Securities of Lucent Loans outstanding under the Credit Agreement have been satisfied
- 2 The aggregate principal amount of Securities that the Trustee is hereby instructed to authenticate and deliver as set forth below (together with the aggregate principal amount of Securities that the Trustee has been instructed to authenticate and deliver but that the Trustee has not yet authenticated and delivered pursuant to any other Conversion Certificates that have been or are being delivered by Lucent to the Trustee) does not exceed the aggregate principal amount of Lucent Loans outstanding under the Credit Agreement

The Trustee is hereby instructed to authenticate and deliver the aggregate principal amount of the Securities set forth below pursuant to the Securities Authentication Order, dated as of the Closing Date, and in accordance with the following additional instructions

- (a) aggregate principal amount \$ _____
- (b) registered in the name of _____
- (c) deliver to the offices of _____
- (d) time of delivery _____

(e) check form in which the Securities are to be issued

☐ definitive, fully registered certificates

☐ Global Security

This is a Conversion Certificate as such term is defined in the Indenture and the date of receipt hereof by the Trustee (which if not a Business Day shall be the immediately succeeding Business Day) shall be deemed to be the Conversion Date of the Securities authenticated and delivered pursuant to the instructions set forth herein

IN WITNESS WHEREOF, Lucent has caused this certificate to be executed in its corporate name by a duly authorized officer of Lucent

Dated _____

LUCENT TECHNOLOGIES INC

by _____

Name

Title

Exhibit D

EXHIBIT D

EQUIPMENT OWNER AGREEMENT dated as of •
among [NAME OF BORROWER], a • company (the
"Company") • (the "Equipment Owner"),
LUCENT TECHNOLOGIES INC, as administrative
agent (the "Administrative Agent") for the
Lenders (as defined below), and THE BANK OF
NEW YORK as collateral agent (the
"Collateral Agent") for the Lenders

Reference is made to (a) the Credit Agreement dated as of May 4, 2000 (as amended or modified from time to time the "Credit Agreement") among Winstar Communications, Inc, the Company, as a borrower thereunder, any additional borrowers from time to time party thereto, the lenders from time to time party thereto (the "Lenders") the Collateral Agent and the Administrative Agent and (b) the Security Agreement dated as of • (as amended or modified from time to time, the "Company Security Agreement") between the Company and the Collateral Agent Capitalized terms used but not defined herein have the meanings assigned to such terms in the Credit Agreement Each of the parties hereto acknowledges receipt of a true and correct copy of the Credit Agreement

The Company has either (i) sold or otherwise transferred, and may from time to time in the future sell or otherwise transfer, to the Equipment Owner certain equipment and other assets acquired by the Company pursuant to the Supply Agreement (any such equipment and other assets, the "Intercompany Purchased Equipment") or (ii) has assumed or will assume the liability of the Equipment Owner to pay the purchase price of certain equipment and other assets acquired or to be acquired by the Equipment Owner pursuant to the Supply Agreement (any such equipment and other assets, the "Direct Purchased Equipment" and, together with the Intercompany Purchased Equipment, the "Equipment") The purchase price of any Intercompany Purchased Equipment has been financed by the Company pursuant to the Credit Agreement and is subject to a security interest (the "Company Security Interest") in favor of the Collateral Agent under the Company Security Agreement All or a portion of the purchase price of any Direct Purchased Equipment is being financed by the Company pursuant to the Credit Agreement and, as a condition to the assumption by the Company of the liability of the Equipment Owner to pay the purchase price of such Direct Purchased Equipment, the Equipment Owner has entered into or will be required to enter into a Foreign Subsidiary Security Agreement granting a security interest in the Direct Purchased Equipment in favor of the Collateral Agent It is a further condition of the sale or transfer of the Intercompany Purchased Equipment

to the Equipment Owner, or the assumption by the Company of the liability to pay the purchase price of the Direct Purchased Equipment, as the case may be, that the Equipment Owner enter into an agreement in the form hereof to confirm certain rights and remedies in respect of the Equipment as set forth herein.

Accordingly, the parties hereto agree as follows

ARTICLE I

Rights in Equipment

SECTION 1 01 Acknowledgment of Interest. The Equipment Owner acknowledges and agrees that (a) any Intercompany Purchased Equipment is sold or transferred to the Equipment Owner subject to, and shall remain subject to, the Company Security Interest granted under the Company Security Agreement and (b) any Direct Purchased Equipment will be required to become subject to, and shall remain subject to a security interest granted by the Equipment Owner under a Foreign Subsidiary Security Agreement to secure the Obligations

SECTION 1 02 Subject and Subordinate. The Equipment Owner acknowledges and agrees that its rights and interests in and to the Equipment are subject and subordinate in all respects to the Security Interest and the rights and interests of the Collateral Agent under the applicable Security Agreement

SECTION 1 03 Use and Disposition of Equipment. The Equipment Owner shall not make or permit to be made an assignment pledge or hypothecation of the Equipment or grant any other lien or encumbrance in respect of the Equipment. The Equipment Owner shall not make or permit to be made any transfer of the Equipment and shall remain at all times in possession of the Equipment, except (a) to sell or otherwise transfer title to the Equipment back to the Company and (b) the Equipment Owner may lease the Equipment (or sell the Equipment to another Foreign Subsidiary that is a Restricted Subsidiary) to the same extent that the Company is permitted to lease (or sell) the Equipment in accordance with Section 6 13 of the Credit Agreement

SECTION 1 04 No Right of Set-off, Counterclaim, Etc. The Equipment Owner acknowledges and agrees that it does not have and in no event will assert, as against the Administrative Agent, the Collateral Agent or any Lender, any lien, right of distraint or levy, right of set-off, claim deduction, counterclaim, security or other interest

in any of the Equipment or in the proceeds thereof, including any of the foregoing which might arise or exist in the Equipment Owner's favor pursuant to any agreement, common law, statute or otherwise

SECTION 1 05 Filings The Equipment Owner agrees to execute and deliver such filings, recordings or registrations including all refilings, rerecordings and reregistrations, containing a description of the Equipment as the Collateral Agent or the Administrative Agent may request from time to time in order to protect the perfection of the Security Interest

SECTION 1 06 Information Regarding Equipment

(a) The Equipment Owner agrees to maintain records of the location of each item of Equipment and to provide copies of such records to the Collateral Agent or the Administrative Agent promptly following any request therefor

(b) The Equipment Owner will furnish to the Collateral Agent prompt written notice of (1) any change (A) in the Equipment Owner's corporate name or in any trade name used to identify it in the conduct of its business or in the ownership of its properties, (B) in the location of the Equipment Owner's chief executive office or its principal place of business, (C) in the jurisdiction in which any Equipment is located to any other jurisdiction (other than a jurisdiction in which filings have been made as contemplated by Section 1 05 above) or (D) in the Equipment Owner's identity or corporate structure or (11) any action that is necessary, and that has not been taken in order that the Security Interest in the Equipment will be recognized protected and perfected under the law of the jurisdiction where the Equipment is located. The Equipment Owner agrees not to effect or permit any change referred to in clause (1) of the preceding sentence until notice thereof has been given and all filings requested pursuant to Section 1 05 above have been made. The Equipment Owner also agrees promptly to notify the Collateral Agent if any material portion of the Equipment is damaged or destroyed

SECTION 1 07 Inspection and Verification Each of the Collateral Agent and the Administrative Agent and such persons as the Collateral Agent or the Administrative Agent may reasonably designate shall have the right to inspect the Equipment, all records related thereto (and to make extracts and copies from such records) and the premises upon which any of the Equipment is located. Each of the Collateral Agent and the Administrative Agent shall have the absolute right to share any information it gains from any

such inspection or verification with any Lender and their agents and representatives

SECTION 1 08 Maintenance of Equipment. The Equipment Owner will keep and maintain all Equipment in good working order and condition, ordinary wear and tear excepted

SECTION 1 09 Remedies. The Equipment Owner acknowledges and agrees that the Collateral Agent may exercise its rights and remedies under the Security Agreement with respect to the Equipment upon the occurrence and during the continuance of an Event of Default (as defined in the Credit Agreement) Upon the occurrence and during the continuance of an Event of Default, the Equipment Owner agrees to deliver each item of the Equipment to the Collateral Agent on demand, and it is agreed that the Collateral Agent shall have the right with or without legal process and with or without previous notice, to take possession of the Equipment or any part thereof (at the same or different times) and without liability for trespass to enter any premises where the Equipment or any part thereof may be located for the purpose of taking possession of or removing the Equipment and generally, to exercise any and all rights afforded to a secured party under the Uniform Commercial Code or other applicable law Without limiting the generality of the foregoing, the Equipment Owner agrees that the Collateral Agent shall have the right to sell or otherwise dispose of all or any part of the Equipment, at public or private sale for cash, upon credit or for future delivery as the Collateral Agent shall deem appropriate Upon consummation of any such sale the Collateral Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Equipment so sold Each such purchaser at any such sale shall hold the property sold absolutely, free from any claim or right on the part of the Equipment Owner, and the Equipment Owner hereby waives all rights with respect to the Equipment which the Equipment Owner now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted

SECTION 1 10 Company Security Agreement If the Equipment Owner is acquiring or has acquired any Intercompany Purchased Equipment, the Equipment Owner acknowledges receipt of a copy of the Company Security Agreement and agrees to be bound by and to comply with the requirements of Sections 4 02, 4 03, 4 04, 4 05, 4 06, 4 07 4 08 and 5 01 of the Company Security Agreement as though it were the Company This Section shall not be construed to

relieve the Company of any of its obligations under the Security Agreement

ARTICLE II

Miscellaneous

SECTION 2 01 Notices All notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, as follows

(a) if to the Company to it at [The Winstar Building, 685 Third Avenue, 9th Floor, New York, New York 10017 Attention of Treasurer and General Counsel (Telecopy No (212) 584-4001)],

(b) if to the Collateral Agent, to it at One Wall Street, 18th Floor New York, New York 10286, Attention of Genoveso Caviness, Agency Function Administration (Telecopy No (212) 635-6365),

(c) if to the Administrative Agent, to it at 600 Mountain Avenue Murray Hill, New Jersey 07974 Attention of Assistant Treasurer-Project Finance (Telecopy No (908) 582-3101), and

(d) if to the Equipment Owner, to it in care of the Company at [The Winstar Building, 685 Third Avenue 9th Floor, New York, New York 10017, Attention of Treasurer and General Counsel (Telecopy No (212) 584-4001)]

Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt

SECTION 2 02 Assignments The Equipment Owner shall not have the right to assign or transfer its rights or obligations hereunder or any interest herein or in the Equipment (and any such assignment or transfer shall be void)

SECTION 2 03 Successors and Assigns Whenever in this Agreement any of the parties hereto is referred to,

such reference shall be deemed to include the successors and assigns of such party and all covenants, promises and agreements by or on behalf of the parties hereto that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns

SECTION 2 04 GOVERNING LAW. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK

SECTION 2 05 Waivers Amendment. (a) No failure or delay of the Collateral Agent in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Collateral Agent hereunder are cumulative and are not exclusive of any rights or remedies that it would otherwise have. No waiver of any provisions of this Agreement or consent to any departure by the Equipment Owner therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Equipment Owner in any case shall entitle the Equipment Owner to any other or further notice or demand in similar or other circumstances

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to a written agreement entered into among the parties hereto

SECTION 2 06 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 2 06

SECTION 2 07 Severability. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining

provisions contained herein shall not in any way be affected or impaired thereby. The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 2.08 Counterparts. This Agreement may be executed in counterparts each of which shall constitute an original but all of which when taken together shall constitute but one contract.

SECTION 2.09 Headings. Article and Section headings used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

SECTION 2.10 Jurisdiction. Consent to Service of Process. (a) Each of the Company and the Equipment Owner hereby irrevocably and unconditionally submits, for itself and its property to the nonexclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(b) Each of the Company and the Equipment Owner hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any New York State court or Federal court sitting in New York City. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 2.01. Nothing in this Agreement will

affect the right of any party to this Agreement to serve
process in any other manner permitted by law

IN WITNESS WHEREOF, the parties hereto have duly
executed this Agreement as of the day and year first above
written

[NAME OF COMPANY],

by

Name
Title

[EQUIPMENT OWNER]

by

Name
Title

THE BANK OF NEW YORK, as
Collateral Agent,

by

Name
Title

LUCENT TECHNOLOGIES INC as
Administrative Agent,

by

Name
Title

Exhibit E

RECEIVED
MAY 1 2006

EXHIBIT E

EQUIPMENT USER AGREEMENT dated as of ●, among [NAME OF EQUIPMENT OWNER], a ● (the "Equipment Owner") [NAME OF EQUIPMENT USER], a ● (the "Equipment User"), LUCENT TECHNOLOGIES INC, as administrative agent (the "Administrative Agent") for the Lenders (as defined below), and THE BANK OF NEW YORK, as collateral agent (the "Collateral Agent") for the Lenders

Reference is made to (a) the Credit Agreement dated as of May 4, 2000 (as amended or modified from time to time, the "Credit Agreement") among Winstar Communications, Inc, the Equipment Owner, any additional Borrowers from time to time party thereto, the lenders from time to time party thereto (the "Lenders"), the Collateral Agent and the Administrative Agent and (b) the Security Agreement dated as of ● (as amended or modified from time to time, the "Security Agreement") between the Equipment Owner and the Collateral Agent

The Equipment User has entered into, and may from time to time in the future enter into, one or more leases, sub-leases or other arrangements (collectively, the "Leases") with the Equipment Owner granting to the Equipment User the right to possess or use certain equipment and other assets. All or a portion of such equipment and other assets (the "Equipment") is owned by the Equipment Owner and has been financed pursuant to the Credit Agreement and is subject to a security interest (the "Security Interest") in favor of the Collateral Agent under the Security Agreement. It is a condition of the availability of the Equipment to the Equipment User that the Equipment User enter into an agreement in the form hereof to acknowledge the ownership of the Equipment by the Equipment Owner, and the Security Interest therein pursuant to the Security Agreement, and to confirm certain rights and remedies in respect of the Equipment as set forth herein.

Accordingly, the parties hereto agree as follows

ARTICLE I

Rights in Equipment

SECTION 1.01 Acknowledgment of Interest. The Equipment User acknowledges and agrees that (a) the Equipment Owner is the owner of the Equipment, (b) the Equipment is subject to the Security Interest granted under the Security Agreement and (c) the Leases do not grant to the Equipment User any ownership rights in the Equipment.

SECTION 1 02 Subject and Subordinate. The Equipment User acknowledges and agrees that its rights and interests in and to the Equipment are subject and subordinate in all respects to the Security Interest and the rights and interests of the Collateral Agent under the Security Agreement

SECTION 1 03 Use and Disposition of Equipment
The Equipment User shall not make or permit to be made an assignment, pledge or hypothecation of the Equipment or grant any other lien or encumbrance in respect of the Equipment - The Equipment User shall not make or permit to be made any transfer of the Equipment and shall remain at all times in possession of the Equipment, except (a) to return the Equipment to the Equipment Owner and (b) the Equipment User may sub-lease the Equipment to the extent permitted by and in accordance with Section 6.13 of the Credit Agreement (and the Equipment User acknowledges receipt of a copy of the Credit Agreement)

SECTION 1 04 No Right of Set-off, Counterclaim, Etc. The Equipment User acknowledges and agrees that it does not have and in no event will assert, as against the Administrative Agent, the Collateral Agent or any Lender, any lien, right of distraint or levy, right of set-off claim, deduction, counterclaim, security or other interest in any of the Equipment or in the proceeds thereof, including any of the foregoing which might arise or exist in the Equipment User's favor pursuant to any agreement, common law statute or otherwise

SECTION 1 05 Uniform Commercial Code Filings
The Equipment User agrees to execute and deliver such Uniform Commercial Code financing statements or other appropriate filings recordings or registrations, including all refilings, rerecordings and reregistrations, containing a description of the Equipment as the Collateral Agent or the Administrative Agent may request from time to time in order to protect the ownership interest of the Equipment Owner in the Equipment or the perfection of the Security Interest

SECTION 1.06 Information Regarding Equipment
(a) The Equipment User agrees to maintain records of the location of each item of Equipment and to provide copies of such records to the Collateral Agent or the Administrative Agent promptly following any request therefor

(b) The Equipment User will furnish to the Collateral Agent prompt written notice of any change (1) in the Equipment User's corporate name or in any trade name

used to identify it in the conduct of its business or in the ownership of its properties, (ii) in the location of the Equipment User's chief executive office or its principal place of business, (iii) the jurisdiction in which any Equipment is located to any other jurisdiction (other than a jurisdiction in which filings have been made as contemplated by Section 1 05 above), (iv) in the Equipment User's identity or corporate structure or (v) in the Equipment User's Federal Taxpayer Identification Number. The Equipment User agrees not to effect or permit any change referred to in the preceding sentence until notice thereof has been given and all filings requested pursuant to Section 1 05 above have been made. The Equipment User also agrees promptly to notify the Collateral Agent if any material portion of the Equipment is damaged or destroyed.

SECTION 1 07 Inspection and Verification. Each of the Collateral Agent and the Administrative Agent and such persons as the Collateral Agent or the Administrative Agent may reasonably designate shall have the right to inspect the Equipment, all records related thereto (and to make extracts and copies from such records) and the premises upon which any of the Equipment is located. Each of the Collateral Agent and the Administrative Agent shall have the absolute right to share any information it gains from any such inspection or verification with any Lender and their agents and representatives.

SECTION 1 08 Maintenance of Equipment. The Equipment User will keep and maintain all Equipment in good working order and condition ordinary wear and tear excepted.

SECTION 1 09 Remedies. The Equipment User acknowledges and agrees that the Collateral Agent may terminate the Equipment User's rights and interests in and to the Equipment upon the occurrence and during the continuance of an Event of Default (as defined in the Credit Agreement). Upon the occurrence and during the continuance of an Event of Default, the Equipment User agrees to deliver each item of the Equipment to the Collateral Agent on demand and it is agreed that the Collateral Agent shall have the right with or without legal process and with or without previous notice, to take possession of the Equipment or any part thereof (at the same or different times) and without liability for trespass to enter any premises where the Equipment or any part thereof may be located for the purpose of taking possession of or removing the Equipment and, generally, to exercise any and all rights afforded to a secured party under the Uniform Commercial Code or other applicable law. Without limiting the generality of the

foregoing, the Equipment User agrees that the Collateral Agent shall have the right to sell or otherwise dispose of all or any part of the Equipment, at public or private sale for cash, upon credit or for future delivery as the Collateral Agent shall deem appropriate. Upon consummation of any such sale the Collateral Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Equipment so sold. Each such purchaser at any such sale shall hold the property sold absolutely, free from any claim or right on the part of the Equipment User, and the Equipment User hereby waives all rights with respect to the Equipment which the Equipment User now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

ARTICLE II

Miscellaneous

SECTION 2.01 Notices. All notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, as follows:

- (a) if to the Equipment Owner, to it at
The Winstar Building, 685 Third Avenue, 9th Floor,
New York, New York 10017 attention of Treasurer and
General Counsel (Telecopy No (212) 584-4001),
- (b) if to the Collateral Agent, to it at
One Wall Street, 18th Floor, New York, New York 10286
Attention of Genoveso Caviness, Agency Function
Administration (Telecopy No (212) 635-6365),
- (c) if to the Administrative Agent to it at
600 Mountain Avenue, Murray Hill, New Jersey 07974,
Attention of Assistant Treasurer-Project Finance
(Telecopy No (908) 582-3101) and
- (d) if to the Equipment User, to it at ●,
Attention of ● (Telecopy No ●)

Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

SECTION 2 02 Assignments The Equipment User shall not have the right to assign or transfer its rights or obligations hereunder or any interest herein or in the Equipment (and any such assignment or transfer shall be void)

SECTION 2 03 Successors and Assigns Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all covenants, promises and agreements by or on behalf of the parties hereto that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns

SECTION 2 04 GOVERNING LAW THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK

SECTION 2 05 Waivers, Amendment (a) No failure or delay of the Collateral Agent in exercising any power or right hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Collateral Agent hereunder are cumulative and are not exclusive of any rights or remedies that it would otherwise have. No waiver of any provisions of this Agreement or consent to any departure by the Equipment User therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Equipment User in any case shall entitle the Equipment User to any other or further notice or demand in similar or other circumstances

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to a written agreement entered into among the parties hereto

SECTION 2 06 WAIVER OF JURY TRIAL EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT. EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN

INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 2 06

SECTION 2 07 Severability In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions

SECTION 2 08 Counterparts This Agreement may be executed in counterparts, each of which shall constitute an original but all of which when taken together shall constitute but one contract

SECTION 2 09 Headings Article and Section headings used herein are for convenience of reference only are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement

SECTION 2 10 Jurisdiction, Consent to Service of Process (a) Each of the Equipment Owner and the Equipment User hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law

(b) Each of the Equipment Owner and the Equipment User hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any New York State court or Federal court sitting in New York City. Each of the parties hereto hereby irrevocably waives, to the fullest extent

7

permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 2.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law

8

IN WITNESS WHEREOF, the parties hereto have duly
executed this Agreement as of the day and year first above
written

[EQUIPMENT OWNER]

by

Name
Title

[EQUIPMENT USER]

by

Name
Title

THE BANK OF NEW YORK, as
Collateral Agent,

by

Name
Title

LUCENT TECHNOLOGIES INC , as
Administrative Agent,

by

Name
Title



(



)

Exhibit F

REC-113



()

EXHIBIT F

GUARANTEED AGREEMENT dated as of May [] 2000, among WINSTAR COMMUNICATIONS, INC., a Delaware corporation (the "Parent") WCI CAPITAL CORP., a Delaware corporation (the "Bank Borrower") the Parent and the Bank Borrower being referred to individually as a "Guarantor" and collectively as the "Guarantors") and LUCENT TECHNOLOGIES INC ("Lucent") as administrative agent (the "Administrative Agent") for the Lenders (as defined below)

Reference is made to the Credit Agreement dated as of May 4 2000 (as amended or modified from time to time, the "Credit Agreement"), among the Parent, WVF I LLC, as initial borrower thereunder and, any additional borrowers from time to time party thereto the lenders from time to time party thereto (the "Lenders") The Bank of New York, as collateral agent (the "Collateral Agent") and the Administrative Agent Capitalized terms used herein and not defined herein shall have the meanings assigned to such terms in the Credit Agreement

The Lenders have agreed to make Loans to the Borrowers pursuant to and upon the terms and subject to the conditions specified in, the Credit Agreement Each of the Borrowers is an indirect Wholly Owned Subsidiary of the Guarantors Each of the Guarantors acknowledges that it will derive substantial benefit from the making of the Loans by the Lenders The obligations of the Lenders to make Loans are conditioned on among other things, the execution and delivery by the Guarantors of a Guarantee Agreement in the form hereof As consideration therefor and in order to induce the Lenders to make Loans the Guarantors are willing to execute this Agreement

Accordingly the parties hereto agree as follows

ARTICLE I

Guarantee

SECTION 1.01 Guarantee. Each Guarantor unconditionally guarantees jointly with the other Guarantor and severally, as a primary obligor and not merely as a surety, (a) the due and punctual payment of (1) the principal of and premium, if any, and interest (including interest accruing during the pendency of any bankruptcy, insolvency receivership or other similar proceeding

regardless of whether allowed or allowable in such proceeding) on the Loans when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise and (ii) all other monetary obligations including fees, costs, expenses and indemnities whether primary, secondary, direct, contingent, fixed or otherwise (including monetary obligations incurred during the pendency of any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding), of each Borrower under the Credit Agreement and the other Loan Documents and (b) the due and punctual performance of all covenants, agreements, obligations and liabilities of each Borrower under or pursuant to the Credit Agreement and the other Loan Documents (all the monetary and other obligations referred to in the preceding clauses (a) and (b) being collectively called the "Obligations") Each Guarantor further agrees that the Obligations may be extended or renewed in whole or in part without notice to or further assent from it and that it will remain bound upon its guarantee notwithstanding any extension or renewal of any Obligation

SECTION 1.02 Obligations Not Waived. To the fullest extent permitted by applicable law, each Guarantor waives presentment, demand of payment from and protest to any Borrower or other Loan Party of any of the Obligations, and also waives notice of acceptance of its guarantee and notice of protest for nonpayment. To the fullest extent permitted by applicable law the obligations of each Guarantor hereunder shall not be affected by (a) the failure of the Administrative Agent the Collateral Agent or any Lender to assert any claim or demand or to enforce or exercise any right or remedy against any Borrower or the other Guarantor under the provisions of the Credit Agreement, any other Loan Document or otherwise (b) any rescission, waiver amendment or modification of, or any release from any of the terms or provisions of this Agreement, any other Loan Document, any Guarantee or any other agreement including with respect to the other Guarantor under this Agreement or (c) the failure to perfect any security interest in, or the release of any of the security held by or on behalf of the Collateral Agent or any Lender

SECTION 1.03 Security. Each of the Guarantors authorizes the Collateral Agent and each of the Lenders to (a) take and hold security given for the payment of this Guarantee and the Obligations and exchange, enforce, waive and release any such security, (b) apply such security and direct the order or manner of sale thereof as they in their

sole discretion may determine and (c) release or substitute any one or more endorsees or other obligors

SECTION 1 04 Guarantee of Payment Each Guarantor further agrees that its guarantee constitutes a guarantee of payment when due and not of collection, and waives any right to require that any resort be had by the Administrative Agent or any Lender to any of the security held for payment of the Obligations or to any balance of any deposit account or credit on the books of the Administrative Agent or any Lender in favor of any Borrower, any other Loan Party or any other Person

SECTION 1 05 No Discharge or Diminishment of Guarantee The obligations of each Guarantor hereunder shall not be subject to any reduction limitation, impairment or termination for any reason (other than the indefeasible payment in full in cash of the Obligations), including any claim of waiver, release, surrender, alteration or compromise of any of the Obligations, and shall not be subject to any defense or setoff counterclaim recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of the Obligations or otherwise Without limiting the generality of the foregoing, the obligations of each Guarantor hereunder shall not be discharged or impaired or otherwise affected by the failure of the Administrative Agent, the Collateral Agent or any Lender to assert any claim or demand or to enforce any remedy under the Credit Agreement, any other Loan Document or any other agreement, by any waiver or modification of any provision of any thereof, by any default failure or delay wilful or otherwise, in the performance of the Obligations, or by any other act or omission that may or might in any manner or to any extent vary the risk of either Guarantor or that would otherwise operate as a discharge of each Guarantor as a matter of law or equity (other than the indefeasible payment in full in cash of all the Obligations)

SECTION 1 06 Defenses of Borrower Waived To the fullest extent permitted by applicable law, each of the Guarantors waives any defense based on or arising out of the defense of any Borrower or other Loan Party or the unenforceability of the Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any Borrower or any other Loan Party, other than the final and indefeasible payment in full in cash of the Obligations The Collateral Agent and the Lenders may, at their election, foreclose on any security held by one or more of them by one or more judicial or nonjudicial sales, accept an assignment of any such security in lieu of

foreclosure, compromise or adjust any part of the Obligations, make any other accommodation with any Borrower or other Loan Party or guarantor or exercise any other right or remedy available to them against any Borrower or other Loan Party or guarantor, without affecting or impairing in any way the liability of either Guarantor hereunder except to the extent the Obligations have been fully finally and indefeasibly paid in cash. To the fullest extent permitted by applicable law, each of the Guarantors waives any defense arising out of any such election even though such election operates, pursuant to applicable law to impair or to extinguish any right of reimbursement or subrogation or other right or remedy of such Guarantor against any Borrower, the other Guarantor or any other guarantor, as the case may be or any security.

ARTICLE II

Miscellaneous

SECTION 2 01 Representations and Warranties

Each of the Guarantors represents and warrants as to itself that all representations and warranties relating to it contained in the Credit Agreement are true and correct.

SECTION 2 02 Information

Each of the Guarantors assumes all responsibility for being and keeping itself informed of each Borrower's and each other Loan Party's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Obligations and the nature, scope and extent of the risks that such Guarantor assumes and incurs hereunder, and agrees that none of the Administrative Agent or the Lenders will have any duty to advise either of the Guarantors of information known to it or any of them regarding such circumstances or risks.

SECTION 2 03 Termination of this Agreement and the Guarantees. This Agreement and the Guarantees made hereunder shall terminate when all the Obligations have been indefeasibly paid in full and the Lenders have no further commitment to lend under the Credit Agreement and shall continue to be effective or be reinstated as the case may be, if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored by the Administrative Agent or any Lender upon the bankruptcy or reorganization of any Borrower, either Guarantor or otherwise.

SECTION 2 04 Binding Effect. Several Agreement.
Assignments. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all covenants promises and agreements by or on behalf of each party hereto that are contained in this Agreement shall bind and inure to the benefit of each party hereto and their respective successors and assigns. This Agreement shall become effective as to each Guarantor when a counterpart hereof executed on behalf of such Guarantor shall have been delivered to the Administrative Agent, and a counterpart hereof shall have been executed on behalf of the Administrative Agent, and thereafter shall be binding upon such Guarantor and the Administrative Agent and their respective successors and assigns, and shall inure to the benefit of such Guarantor, the Administrative Agent and the Lenders and their respective successors and assigns, except that neither Guarantor shall have the right to assign its rights or obligations hereunder or any interest herein (and any such attempted assignment shall be void). This Agreement shall be construed as a separate agreement with respect to each Guarantor and may be amended, modified, supplemented, waived or released with respect to either Guarantor without the approval of the other Guarantor and without affecting the obligations of the other Guarantor hereunder.

SECTION 2 05 Waivers. Amendment. (a) No failure or delay of the Administrative Agent in exercising any power or right hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent hereunder and of the Collateral Agent and the Lenders under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by either Guarantor therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on any Borrower or either Guarantor in any case shall entitle such Borrower or Guarantor to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to

a written agreement entered into between the party hereto with respect to which such waiver amendment or modification relates and the Administrative Agent with the prior written consent of the Required Lenders as required under the Credit Agreement

SECTION 2 06 Governing Law THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK

SECTION 2 07 Notices All communications and notices hereunder shall be in writing and given as provided in Section 9 01 of the Credit Agreement All communications and notices hereunder to the Bank Borrower shall be given to it in care of the Parent

SECTION 2 08 Survival of Agreement, Severability (a) All covenants, agreements, representations and warranties made by the Guarantors herein and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the Administrative Agent and the Lenders and shall survive the making by the Lenders of the Loans regardless of any investigation made by any Lender or on any Lender's behalf, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any other fee or amount payable under this Agreement or any other Loan Document is outstanding and unpaid and as long as the Commitments have not been terminated

(b) In the event any one or more of the provisions contained in this Agreement or in any other Loan Document should be held invalid illegal or unenforceable in any respect the validity legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction) The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions

SECTION 2 09 Counterparts This Agreement may be executed in counterparts, each of which shall constitute an original but all of which when taken together shall constitute a single contract, and shall become effective as provided in Section 2 04 Delivery of an executed signature

page to this Agreement by facsimile transmission shall be as effective as delivery of a manually executed counterpart of this Agreement

SECTION 2 10 Rules of Interpretation. The rules of interpretation specified in Section 1 03 of the Credit Agreement shall be applicable to this Agreement

SECTION 2 11 Jurisdiction, Consent to Service of Process. (a) Each Guarantor hereby irrevocably and unconditionally submit, for itself and its property, to the nonexclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or the other Loan Documents, or for recognition or enforcement of any judgment and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Administrative Agent, the Collateral Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or the other Loan Documents against any Borrower, either Guarantor or its properties in the courts of any jurisdiction

(b) Each Guarantor hereby irrevocably and unconditionally waive to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the other Loan Documents in any New York State or Federal court. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 2 07. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law

SECTION 2 12 Waiver of Jury Trial. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN

RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS. EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, AS APPLICABLE, BY, AMONG OTHER THINGS THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 2 12

SECTION 2 13 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender is hereby authorized at any time and from time to time, to the fullest extent permitted by law to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other Indebtedness at any time owing by such Lender to or for the credit or the account of either Guarantor against any or all the obligations of such Guarantor now or hereafter existing under this Agreement and the other Loan Documents held by such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement or any other Loan Document and although such obligations may be unmatured. The rights of each Lender under this Section 2 13 are in addition to other rights and remedies (including other rights of setoff) which such Lender may have

IN WITNESS WHEREOF, the parties hereto have duly
executed this Agreement as of the day and year first above
written

WINSTAR COMMUNICATIONS, INC

by

Name
Title

WCI CAPITAL CORP ,

by

Name
Title

LUCENT TECHNOLOGIES INC , as
Administrative Agent

by

Name
Title

Exhibit G

EXHIBIT G

PERFECTION CERTIFICATE

Reference is made to (a) the Credit Agreement dated as of May 4, 2000 (as amended or modified from time to time, the "Credit Agreement"), among the undersigned as a borrower thereunder (the "Current Borrower"), any additional borrowers from time to time party thereto, Winstar Communications, Inc., a Delaware corporation (the "Parent"), the lenders party thereto (the "Lenders") The Bank of New York, as collateral agent (in such capacity, the "Collateral Agent") and Lucent Technologies Inc., as administrative agent (in such capacity the "Administrative Agent"), and (b) the Security Agreement dated as of * (as amended or modified from time to time, the "Security Agreement") between the Current Borrower and the Collateral Agent Capitalized terms used herein without definition have the meanings assigned to them in the Credit Agreement and the Security Agreement

The undersigned, a Financial Officer of the Current Borrower, hereby certifies to the Administrative Agent, the Collateral Agent and each Lender as follows

1 Names. (a) The exact company name of the Current Borrower as such name appears in its certificate of formation, is *

(b) The Current Borrower has not had any change in its name since its formation

(c) Except as set forth in Schedule 1 hereto the Current Borrower has not changed its identity or company structure in any way since its formation until the present Changes in identity or company structure would include mergers, consolidations and acquisitions, as well as any change in the form, nature or jurisdiction of company organization

(d) Neither the Current Borrower nor any of its divisions or other business units has used any other names (including trade names or similar appellations) in connection with the conduct of its business since its formation until the present

(e) The Federal Employer Identification Number of the Current Borrower is *

2 Current Locations. (a) The chief executive office of the Current Borrower is located as the following address

Mailing Address County State

(b) The following are all the places of business of the Current Borrower not identified above

(c) The following are the names and addresses of all Persons other than the Current Borrower which have possession of any of the Collateral

(d) The following are all the locations where the Current Borrower maintains any Collateral not identified above

3 File Search Reports Attached hereto as Schedule 3(A) are true copies of file search reports from the Uniform Commercial Code filing offices where filings described in Schedule 5 are to be made Attached hereto as Schedule 3(B) is a true copy of each financing statement or other filing identified in such file search reports

4 UCC Filings Duly signed financing statements on Form UCC-1 in substantially the form of Schedule 4 hereto have been duly filed or delivered to the Collateral Agent for filing in the Uniform Commercial Code filing offices in each jurisdiction where the Current Borrower has Collateral as identified in Section 2 hereof

5 Schedule of Filings Attached hereto as Schedule 5 is a schedule setting forth, with respect to the filings described in Section 4 above, each filing and the filing office in which such filing has been or is to be made

6 Filings Fees All filing fees and taxes payable in connection with the filings described in Section 4 above have been paid or provided for

IN WITNESS WHEREOF, the undersigned has duly executed this certificate this ____ day of • •

[NAME OF CURRENT BORROWER]

Name
Title

Exhibit H

RECEIVED
MAY 1 2006

EXHIBIT H

PLEDGE AGREEMENT dated as of May [], 2000, among, WINSTAR WIRELESS, INC (the "Pledgor"), and BANK OF NEW YORK, as collateral agent (in such capacity, the "Collateral Agent") for the Secured Parties, as defined herein

Reference is made to the Credit Agreement dated as of May 4, 2000 (as amended or modified from time to time, the "Credit Agreement") among WVF-I LLC, a Delaware limited liability company, as initial borrower thereunder, any other borrowers thereunder from time to time party thereto, Winstar Communications, Inc, the lenders party thereto the Collateral Agent and Lucent Technologies Inc, as administrative agent. The Lenders have agreed to extend credit to the Borrowers pursuant to, and subject to the terms and conditions specified in, the Credit Agreement. Each Borrower is or will be a Wholly Owned Subsidiary of the Pledgor. The obligations of the Lenders to extend credit under the Credit Agreement are conditioned upon, among other things, the execution and delivery by the Pledgor of a pledge agreement in the form hereof to secure (a) the due and punctual payment by each Borrower of (i) the principal of and interest on the Loans when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise and (ii) all other monetary obligations of each Borrower to the Secured Parties under the Credit Agreement and the other Loan Documents, and (b) the due and punctual performance of all other obligations of each Borrower to the Secured Parties under the Credit Agreement and the other Loan Documents (all the foregoing obligations being collectively called the "Obligations").

Accordingly, the Pledgor and the Collateral Agent hereby agree as follows

ARTICLE I

Definitions

SECTION 1.01 Terms Defined in the Credit Agreement. Terms used herein and not otherwise defined herein shall have the meanings set forth in the Credit Agreement

SECTION 1 02 Definition of Certain Terms Used Herein. As used herein, the following terms shall have the following meanings

"Collateral" shall have the meaning assigned to such term in Section 2 01

"Credit Agreement" shall have the meaning assigned to such term in the preliminary statement of this Agreement

"Federal Securities Laws" shall have the meaning assigned to such term in Section 4 03

"Obligations" shall have the meaning assigned to such term in the preliminary statement of this Agreement

"Pledged Securities" shall mean the Pledged Stock all other shares of Capital Stock and other securities (including warrants, options and similar rights to acquire securities) now or hereafter included in the Collateral and all stock certificates and other instruments evidencing any such securities

"Pledged Stock" shall have the meaning assigned to such term in Section 2 01

"Secured Parties" shall mean (a) the Lenders, (b) the Administrative Agent and the Collateral Agent, in their capacities as such under each Loan Document and (c) the successors and assigns of the foregoing

SECTION 1 03 Rules of Interpretation. The rules of interpretation specified in Section 1 03 of the Credit Agreement shall be applicable to this Agreement

ARTICLE II

Pledge

SECTION 2 01 Pledge. As security for the payment or performance as the case may be in full of the Obligations, the Pledgor hereby bargains, sells, conveys assigns, sets over, mortgages, pledges, hypothecates and transfers to the Collateral Agent, its successors and its assigns, for the benefit of the Secured Parties, and hereby grants to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, a security interest in all of the Pledgor's right, title and interest in, to and under (a) the Capital Stock issued by the Initial Borrower to the Pledgor listed on Schedule I and the Capital

Stock hereafter issued by the Initial Borrower or any Replacement Borrower to the Pledgor (collectively, the "Pledged Stock") and the certificates representing the Pledged Stock, (b) all other property which may be delivered to and held by the Collateral Agent pursuant to the terms hereof, (c) subject to Section 2.04, all dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed, in respect of, in exchange for or upon the conversion of the securities referred to in clauses (a) and (b) above (d) subject to Section 2.04, all rights and privileges of the Pledgor with respect to the securities and other property referred to in clauses (a), (b) and (c) above, and (e) all proceeds of any of the foregoing (the items referred to in clauses (a) through (e) being collectively called the "Collateral")

TO HAVE AND TO HOLD the Collateral together with all right title interest, powers privileges and preferences pertaining or incidental thereto, unto the Collateral Agent its successors and its assigns, for the benefit of the Secured Parties, forever, subject, however, to the terms covenants and conditions hereinafter set forth

SECTION 2.02 Delivery of the Collateral.
Intercompany Obligations. (a) Upon delivery to the Collateral Agent, (i) the Pledged Securities shall be accompanied by stock powers or similar powers duly executed in blank or other instruments of transfer satisfactory to the Collateral Agent and by such other instruments and documents as the Collateral Agent may reasonably request and (ii) all other property comprising part of the Collateral shall be accompanied by proper instruments of assignment duly executed by the Pledgor and such other instruments or documents as the Collateral Agent may reasonably request. Each delivery of Pledged Securities shall be accompanied by a schedule describing the securities theretofore and then being pledged hereunder, which schedule shall be attached hereto as Schedule I and made a part hereof. Each schedule so delivered shall supplement any prior schedules so delivered

(b) The Pledgor agrees to promptly deliver or cause to be delivered to the Collateral Agent any and all Pledged Securities and any and all certificates or other instruments or documents representing the Collateral

(c) The Pledgor agrees that, if any Borrower is a limited liability company, it will cause such Borrower to provide in its limited liability company operating agreement or other relevant constitutive documents that its limited

liability company interests shall at all times be represented by certificates, which shall constitute "securities" within the meaning of Section 8-102 and Section 8-103 of Article 8 of the Uniform Commercial Code and shall be governed by Article 8 of the Uniform Commercial Code

SECTION 2 03 Registration in Nominee Name, Denominations. The Collateral Agent shall have the right (in its sole and absolute discretion) to hold the Pledged Securities in its own name as pledgee, the name of its nominee or the name of the applicable Pledgor, endorsed or assigned in blank or in favor of the Collateral Agent. The Pledgor will promptly give to the Collateral Agent copies of any notices or other communications received by it with respect to Pledged Securities registered in the name of the Pledgor. The Collateral Agent shall at all times have the right to exchange the certificates representing Pledged Securities for certificates of smaller or larger denominations for any purpose consistent with this Agreement

SECTION 2 04 Voting Rights, Dividends and Interest, etc. (a) Unless and until an Event of Default shall have occurred and be continuing and the Collateral Agent shall have notified the Pledgor that its rights under this Section 2 04 are being suspended

(1) The Pledgor shall be entitled to exercise any and all voting and/or other consensual rights and powers accruing to an owner of Pledged Securities or any part thereof for any purpose consistent with the terms of this Agreement, the Credit Agreement and the other Loan Documents, provided, however, that such action would not materially and adversely affect the rights inuring to a holder of the Pledged Securities or the rights and remedies of the Collateral Agent or any of the Secured Parties under this Agreement or the Credit Agreement or any other Loan Document or the ability of the Collateral Agent or any of the Secured Parties to exercise the same

(11) The Collateral Agent shall execute and deliver to the Pledgor, or cause to be executed and delivered to the Pledgor, all such proxies, powers of attorney and other instruments as the Pledgor may reasonably request for the purpose of enabling the Pledgor to exercise the voting and/or consensual rights and powers which it is entitled to exercise pursuant to subparagraph (i) above

(iii) The Pledgor shall be entitled to receive and retain any and all dividends paid in cash on the Pledged Securities pledged by it to the extent and only to the extent that such cash dividends are permitted by and otherwise paid in accordance with, the terms and conditions of the Credit Agreement, the other Loan Documents and applicable laws. Other than pursuant to the first sentence of this paragraph (a)(iii) all noncash dividends and all dividends paid or payable in cash or otherwise in connection with a partial or total liquidation or dissolution, return of capital, capital surplus or paid-in surplus and all other distributions made on or in respect of Pledged Securities, whether paid or payable in cash or otherwise, whether resulting from a subdivision, combination or reclassification of the outstanding Capital Stock of the issuer of any Pledged Securities or received in exchange for Pledged Securities or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which such issuer may be a party or otherwise, shall be and become part of the Collateral, and, if received by the Pledgor, shall not be commingled by the Pledgor with any of its other funds or property but shall be held separate and apart therefrom, shall be held in trust for the benefit of the Collateral Agent and shall be forthwith delivered to the Collateral Agent in the same form as so received (with any necessary endorsement).

(b) Upon the occurrence and during the continuance of an Event of Default, after the Collateral Agent shall have notified the Pledgor of the suspension of its rights under paragraph (a)(iii) above, then all rights of the Pledgor to dividends which the Pledgor is authorized to receive pursuant to paragraph (a)(iii) above shall cease and all such rights shall thereupon become vested in the Collateral Agent, which shall have the sole and exclusive right and authority to receive and retain such dividends. All dividends which are received by the Pledgor contrary to the provisions of this Section 2.04 shall be received in trust for the benefit of the Collateral Agent, shall be segregated from other property or funds of the Pledgor and shall be forthwith delivered to the Collateral Agent in the same form as so received (with any necessary endorsement). Any and all money and other property paid over to or received by the Collateral Agent pursuant to the provisions of this paragraph (b) shall be retained by the Collateral Agent in an account to be established by the Collateral Agent upon receipt of such money or other property and shall be applied in accordance with the provisions of Section 4.02.

(c) Upon the occurrence and during the continuance of an Event of Default, after the Collateral Agent shall have notified the Pledgor of the suspension of its rights under paragraph (a) (i) above, then all rights of the Pledgor to exercise the voting and consensual rights and powers which it is entitled to exercise pursuant to paragraph (a) (i) of this Section 2 04, and the obligations of the Collateral Agent under paragraph (a) (ii) of this Section 2 04 shall cease and all such rights shall thereupon become vested in the Collateral Agent, which shall have the sole and exclusive right and authority to exercise such voting and consensual rights and powers

(d) Any notice given by the Collateral Agent to the Pledgor suspending its rights under paragraph (a) above (i) may be given by telephone if promptly confirmed in writing and (ii) may suspend the rights of the Pledgor under paragraph (a) (i) or paragraph (a) (iii) in part without suspending all such rights (as specified by the Collateral Agent in its sole and absolute discretion) and without waiving or otherwise affecting the Collateral Agent's rights to give additional notices from time to time suspending other rights so long as an Event of Default has occurred and is continuing

ARTICLE III

Representations, Warranties And Covenants

The Pledgor represents, warrants and covenants to and with the Collateral Agent and the Lenders that

(a) the Pledged Stock represents all the outstanding Capital Stock of each Borrower,

(b) the Pledged Securities have been duly and validly authorized and issued by the Borrowers and are fully paid and nonassessable

(c) except for the security interest granted hereunder, the Pledgor (i) is and will at all times continue to be the direct owner, beneficially and of record, of the Pledged Securities indicated on Schedule I (ii) holds the same free and clear of all Liens, except as expressly permitted by Section 4 04, (iii) will make no assignment, pledge, hypothecation or transfer of, or create any security interest in, the Collateral other than pursuant hereto, except as expressly permitted by Section 4 04, and (iv) subject to Section 2 04 will cause any and all Collateral,

7

whether for value paid by the Pledgor or otherwise, to be forthwith deposited with the Collateral Agent and pledged or assigned hereunder

(d) except for restrictions and limitations imposed by securities laws generally, the Collateral pledged hereunder is and will be freely transferable and assignable and no portion of such Collateral is or will be subject to any option right of first refusal, shareholders agreement, charter or by-law provision or contractual restriction of any nature which might prohibit impair, delay or otherwise affect the pledge of such Collateral hereunder, the sale or disposition of the Collateral pursuant hereto after the occurrence of an Event of Default or the exercise by the Collateral Agent of its rights and remedies hereunder,

(e) the Pledgor (i) has the power and authority to pledge the Collateral pledged by it hereunder in the manner hereby done or contemplated and (ii) will defend its title or interest thereto or therein against any and all Liens (other than the Lien of this Agreement and Liens expressly contemplated by Section 4.04) however arising, of all Persons whomsoever,

(f) no consent or approval of any Governmental Authority or any securities exchange was or is necessary to the validity of the pledge effected hereby

(g) by virtue of the execution and delivery by the Pledgor of this Agreement, when the Pledged Securities, certificates, instruments or other documents representing or evidencing the Collateral are delivered to the Collateral Agent in accordance with this Agreement, the collateral Agent will obtain a legal valid and perfected first priority security interest in the Pledged Securities as security for the payment and performance of the Obligations, and

(h) the pledge effected hereby is effective to vest in the Collateral Agent, on behalf of the Secured Parties the rights of the Collateral Agent in the Collateral as set forth herein

ARTICLE IV

Remedies

SECTION 4 01. Remedies upon Default. If an Event of Default shall have occurred and be continuing the Collateral Agent may exercise to the extent permitted by law, all the rights of a secured party under the Uniform Commercial Code of the State of New York (whether or not the Code is in effect in the jurisdiction where such rights are exercised) and, in addition, the Collateral Agent may, without being required to give any notice, except as herein provided or as may be required by mandatory provisions of law, sell the Collateral, or any part thereof, at public or private sale or at any broker's board or on any securities exchange for cash upon credit or for future delivery as the Collateral Agent shall deem appropriate. The Collateral Agent shall be authorized at any such sale (if it deems it advisable to do so) to restrict the prospective bidders or purchasers to Persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or sale thereof, and upon consummation of any such sale the Collateral Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each such purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of the Pledgor, and the Pledgor hereby waives (to the extent permitted by law) all rights of redemption, stay, valuation and appraisal which the Pledgor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

The Collateral Agent shall give the Pledgor at least 10 days' prior written notice (which the Pledgor agrees is reasonable notice within the meaning of Section 9-504(3) of the Uniform Commercial Code as in effect in the State of New York or its equivalent in other jurisdictions) of the Collateral Agent's intention to make any sale of Collateral. Such notice, in the case of a public sale shall state the time and place for such sale and in the case of a sale at a broker's board or on a securities exchange, shall state the board or exchange at which such sale is to be made and the day on which the Collateral, or portion thereof, will first be offered for sale at such board or exchange and, in the case of a private sale shall state the time after which any such sale is to be made. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Collateral Agent may fix and state in the notice of such sale. At any such sale, the Collateral, or

portion thereof to be sold may be sold in one lot as an entirety or in separate parcels, as the Collateral Agent may (in its sole and absolute discretion) determine. The Collateral Agent shall not be obligated to make any sale of any Collateral if it shall determine not to do so, regardless of the fact that notice of sale of such Collateral shall have been given. The Collateral Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale and such sale may, without further notice, be made at the time and place to which the same was so adjourned. In case any sale of all or any part of the Collateral is made on credit or for future delivery, the Collateral so sold may be retained by the Collateral Agent until the sale price is paid in full by the purchaser or purchasers thereof, but the Collateral Agent shall not incur any liability in case any such purchaser or purchasers shall fail to take up and pay for the Collateral so sold and in case of any such failure, such Collateral may be sold again upon like notice. At any public sale made pursuant to this Section any Secured Party may bid for or purchase, free (to the extent permitted by law) from any right of redemption, stay, valuation or appraisal on the part of the Pledgor (all said rights being also hereby waived and released to the extent permitted by law), the Collateral or any part thereof offered for sale and may make payment on account thereof by using any claim then due and payable to it from the Pledgor as a credit against the purchase price, and the Collateral Agent may, upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to the Pledgor therefor. For purposes hereof, a written agreement to purchase the Collateral or any portion thereof shall be treated as a sale thereof, the Collateral Agent shall be free to carry out such sale pursuant to such agreement, and the Pledgor shall not be entitled to the return of the Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Collateral Agent shall have entered into such an agreement all Events of Default shall have been remedied and the obligations paid in full. As an alternative to exercising the power of sale herein conferred upon it, the Collateral Agent may proceed by a suit or suits at law or in equity to foreclose this Agreement and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver.

SECTION 4 02 Application of Proceeds of Sale.

The proceeds of any sale of Collateral pursuant to Section 4 01, as well as any Collateral consisting of cash, shall be applied by the Collateral Agent as follows

FIRST, to the payment of all costs and expenses incurred by the Administrative Agent or the Collateral Agent (in its capacity as such hereunder or under any other Loan Document) in connection with such sale or otherwise in connection with this Agreement or any of the Obligations, including all court costs and the fees and expenses of its agents and legal counsel, the repayment of all advances made by the Collateral Agent hereunder or under any other Loan Document on behalf of the Pledgor and any other costs or expenses incurred in connection with the exercise of any right or remedy hereunder or under any other Loan Document-

SECOND to the payment in full of the Obligations (the amounts so applied to be distributed among the Secured Parties pro rata in accordance with the amounts of the Obligations owed to them on the date of any such distribution) and

THIRD, to the Pledgor its successors or assigns, or as a court of competent jurisdiction may otherwise direct

Subject to the instructions of the Required Lenders, the Collateral Agent shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Agreement. Upon any sale of the Collateral by the Collateral Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Collateral Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof

SECTION 4 03 Securities Act, etc. In view of the position of the Pledgor in relation to the Pledged Securities, or because of other present or future circumstances a question may arise under the Securities Act of 1933, as now or hereafter in effect, or any similar statute hereafter enacted analogous in purpose or effect (such Act and any such similar statute as from time to time in effect being called the "Federal Securities Laws") with respect to any disposition of the Pledged Securities

permitted hereunder. The Pledgor understands that compliance with the Federal Securities Laws might very strictly limit the course of conduct of the Collateral Agent if the Collateral Agent were to attempt to dispose of all or any part of the Pledged Securities, and might also limit the extent to which or the manner in which any subsequent transferee of any Pledged Securities could dispose of the same. Similarly, there may be other legal restrictions or limitations affecting the Collateral Agent in any attempt to dispose of all or part of the Pledged Securities under applicable Blue Sky or other state securities laws or similar laws analogous in purpose or effect. The Pledgor recognizes that in light of the foregoing restrictions and limitations the Collateral Agent may, with respect to any sale of Pledged Securities, limit the purchasers to those who will agree, among other things, to acquire Pledged Securities for their own account, for investment, and not with a view to the distribution or resale thereof. The Pledgor acknowledges and agrees that in light of the foregoing restrictions and limitations the Collateral Agent, in its sole and absolute discretion, (a) may proceed to make such a sale whether or not a registration statement for the purpose of registering the Pledged Securities or part thereof shall have been filed under the Federal Securities Laws, and (b) may approach and negotiate with a single possible purchaser to effect such sale. The Pledgor acknowledges and agrees that any such sale might result in prices and other terms less favorable to the seller than if such sale were a public sale without such restrictions. In the event of any such sale the Collateral Agent shall incur no responsibility or liability for selling all or any part of the Pledged Securities at a price which the Collateral Agent, in its sole and absolute discretion, may in good faith deem reasonable under the circumstances, notwithstanding the possibility that a substantially higher price might have been realized if the sale were deferred until after registration as aforesaid or if more than a single purchaser were approached. The provisions of this Section will apply notwithstanding the existence of a public or private market upon which the quotations or sales prices may exceed substantially the price at which the Collateral Agent sells.

SECTION 4.04 Permitted Junior Liens. If at any time any Borrower is deemed to be a Second Borrower, the Pledgor shall be permitted to grant to the Bank Agent for the ratable benefit of the Bank Loan Parties a second-priority security interest in and a second-priority lien on all the Capital Stock issued by the Second Borrower to the Pledgor, to secure the payment and performance of the Bank Loan Parties' monetary and other obligations under the

Bank Credit Documents, provided that each of the Collateral Agent and the Administrative Agent shall have received written acknowledgment, in form and substance satisfactory to them, from the Bank Agent acknowledging that (a) any such security interest or lien will be expressly junior and subordinate in priority, operation and effect to any and all security interests and liens now existing or hereafter created or arising in favor of the Collateral Agent for the benefit of the Secured Parties hereunder and (b) under no circumstances shall any Secured Party have, or be deemed to have, any fiduciary duty or any other duty to the Bank Agent or any Bank Loan Party with respect to actions such Secured Party takes or is permitted to take hereunder

ARTICLE V

Miscellaneous

SECTION 5 01 Notices. All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given to (a) the Collateral Agent as provided in Section 9 01 of the Credit Agreement and (b) the Pledgor to it in care of Winstar Communications, Inc., as provided in Section 9 01 of the Credit Agreement.

SECTION 5 02 Security Interest Absolute. All rights of the Collateral Agent hereunder, the security interests granted hereunder and all obligations of the Pledgor hereunder shall be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the Credit Agreement or any other loan Document any agreement with respect to any of the Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of, or in any other term of all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Credit Agreement, any other Loan Document or any other agreement or instrument (c) any exchange, release or non-perfection of any Lien on other collateral, or any release or amendment or waiver of or consent under or departure from any guarantee, securing or guaranteeing all or any of the Obligations, or (d) any other circumstance which might otherwise constitute a defense available to, or a discharge of, the Pledgor in respect of the Obligations or this Agreement

SECTION 5 03 Survival of Agreement. All covenants, agreements, representations and warranties made by the Pledgor herein and in the certificates or other

instruments prepared or delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the Secured Parties and shall survive the making by the Lenders of the Loans, and the execution and delivery to the Lenders of any instruments evidencing such Loans, regardless of any investigation made by the Secured Parties or on their behalf, and shall continue in full force and effect until this Agreement shall terminate

SECTION 5.04 Binding Effect. Several Agreement
This Agreement shall become effective as to the Pledgor when a counterpart hereof executed on behalf of the Pledgor shall have been delivered to the Collateral Agent and a counterpart hereof shall have been executed on behalf of the Collateral Agent, and thereafter shall be binding upon the Pledgor and the Collateral Agent and their respective successors and assigns and shall inure to the benefit of the Pledgor the Collateral Agent and the other Secured Parties and their respective successors and assigns except that the Pledgor shall not have the right to assign its rights hereunder or any interest herein or in the Collateral except as expressly contemplated by this Agreement or the Credit Agreement

SECTION 5.05 Successors and Assigns. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all covenants promises and agreements by or on behalf of the Pledgor or the Collateral Agent that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns

SECTION 5.06 Collateral Agent Appointed Attorney-in-Fact. The Pledgor hereby appoints the Collateral Agent the attorney-in-fact of the Pledgor for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instrument which the Collateral Agent may deem necessary or advisable to accomplish the purposes hereof, which appointment is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, the Collateral Agent shall have the right, upon the occurrence and during the continuance of an Event of Default, with full power of substitution either in the Collateral Agent's name or in the name of the Pledgor, to ask for, demand, sue for, collect, receive and give acquittance for any and all moneys due or to become due under and by virtue of any Collateral, to endorse checks, drafts, orders and other instruments for the payment of money payable to the Pledgor representing any

dividend or other distribution payable in respect of the Collateral or any part thereof or on account thereof and to give full discharge for the same, to settle, compromise, prosecute or defend any action, claim or proceeding with respect thereto, and to sell, assign, endorse, pledge, transfer and make any agreement respecting, or otherwise deal with, the same, provided, however, that nothing herein contained shall be construed as requiring or obligating the Collateral Agent or any Secured Party to make any commitment or to make any inquiry as to the nature or sufficiency of any payment received by the Collateral Agent or any Secured Party, or to present or file any claim or notice or to take any action with respect to the Collateral or any part thereof or the moneys due or to become due in respect thereof or any property covered thereby, and no action taken by the Collateral Agent or any Secured Party or omitted to be taken with respect to the Collateral or any part thereof shall give rise to any defense, counterclaim or offset in favor of the Pledgor or to any claim or action against the Collateral Agent or any other Secured Party

SECTION 5.07 Collateral Agent's Fees and Expenses, Indemnification. (a) The Pledgor agrees to pay upon demand to the Collateral Agent the amount of any and all reasonable expenses, including the reasonable fees and expenses of its counsel and of any experts or agents, which the Collateral Agent may incur in connection with (i) the administration of this Agreement (ii) the custody or preservation of, or the sale of, collection from or other realization upon any of the Collateral, (iii) the exercise, enforcement or protection of any of the rights of the Collateral Agent hereunder or (iv) the failure of the Pledgor to perform or observe any of the provisions hereof

(b) Without limitation of its indemnification obligations under the other Loan Documents the Pledgor agrees to indemnify the Collateral Agent and the other Indemnitees against, and hold each of them harmless from, any and all losses, claims, damages, liabilities and related expenses including reasonable counsel fees and expenses, incurred by or asserted against any of them arising out of, in any way connected with, or as a result of, the execution delivery or performance of this Agreement or any claim, litigation investigation or proceeding relating hereto or to the Collateral whether or not any Indemnitee is a party thereto, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or wilful misconduct of such Indemnitee

(c) Any such amounts payable as provided hereunder shall be additional Obligations secured hereby and by the other Security Documents. The provisions of this Section shall remain operative and in full force and effect regardless of the termination of this Agreement, the consummation of the transactions contemplated hereby, the repayment of any of the Loans, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document or any investigation made by or on behalf of the Collateral Agent or any Secured Party. All amounts due under this Section shall be payable on written demand therefor.

(d) Notwithstanding the foregoing, the obligations of the Grantor hereunder with respect to payment of fees, charges and disbursements of counsel will be limited to (i) Cravath Swaine & Moore, special counsel to Lucent and the Administrative Agent (or such other single firm acting in such capacity from time to time), (ii) Sullivan & Cromwell, special counsel to the Collateral Agent (or such other single firm acting in such capacity from time to time), (iii) one other firm of counsel to the Collateral Agent, the Administrative Agent and the Lenders in each jurisdiction and (iv) if necessary, special counsel to the Collateral Agent, the Administrative Agent and the Lenders in such areas as telecommunications regulations.

SECTION 5.08 GOVERNING LAW. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

SECTION 5.09 Waivers, Amendment. (a) No failure or delay of the Collateral Agent in exercising any power or right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Collateral Agent hereunder and of the Collateral Agent, the Administrative Agent and the Secured Parties under the other Loan Documents are cumulative and are not exclusive of any rights or remedies which they would otherwise have. No waiver of any provisions of this Agreement or any other Loan Document or consent to any departure by the Pledgor therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on the Pledgor in any case shall entitle the Pledgor to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Collateral Agent and the Pledgor with respect to which such waiver, amendment or modification is to apply, subject to any consent required in accordance with Section 9.02 of the Credit Agreement.

SECTION 5.10 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS. EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, AS APPLICABLE, BY AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 5.11 Severability. In the event any one or more of the provisions contained in this Agreement or in any other Loan Document should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby. The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 5.12 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original but all of which when taken together shall constitute but one contract, and shall become effective as provided in Section 5.04.

SECTION 5.13 Headings. Article and Section headings used herein are for convenience of reference only and are not part of this Agreement and are not to affect the construction of or to be taken into consideration in interpreting, this Agreement.

SECTION 5.14 Jurisdiction; Consent to Service of Process. (a) The Pledgor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any New York State court or

Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or the other Loan Documents, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Collateral Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or the other Loan Documents against the Pledgor or its properties in the courts of any jurisdiction.

(b) The Pledgor hereby irrevocably and unconditionally waives to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the other Loan Documents in any New York State or Federal court. Each of the parties hereto hereby irrevocably waives to the fullest extent permitted by law the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 5.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 5.15 Termination. This Agreement and the security interests granted hereby shall terminate when all the Obligations have been indefeasibly paid in full and the Lenders have no further commitment to lend under the Credit Agreement at which time the Collateral Agent shall reassign and deliver to the Pledgor at the Pledgor's expense and against receipt such of the Collateral as shall not have been sold or otherwise applied hereunder and shall remain held by the Collateral Agent hereunder, together with such documents as the Pledgor shall reasonably request to evidence such termination and reassignment. Any such reassignment and any execution and delivery of documents pursuant to this Section shall be without recourse to or warranty by the Collateral Agent. The Pledged Securities of a Released Borrower shall be subject to release or

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assignment as expressly provided in Sections 2.20 and 2.22
of the Credit Agreement

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IN WITNESS WHEREOF, the parties hereto have duly
executed this Agreement as of the day and year first above
written

WINSTAR WIRELESS, INC ,

by _____

Name

Title

BANK OF NEW YORK, as
Collateral Agent

by _____

Name

Title

Exhibit 1

2006 12/24

SCHEDULE I
to Pledge Agreement

Pledged Securities

Issuer

WVF-I LLC

Pledged Securities

1 unit of Membership
Interest

EXHIBIT I

SECURITY AGREEMENT dated as of [],
 between [] a []
 (the "Grantor"), and BANK OF NEW YORK, as
 collateral agent (in such capacity the
 "Collateral Agent") for the Secured Parties,
 as defined herein

Reference is made to the Credit Agreement dated as of May 4 2000 (as amended or modified from time to time the "Credit Agreement") among the Grantor as borrower thereunder, any other borrowers thereunder from time to time party thereto, Winstar Communications, Inc the lenders party thereto, the Collateral Agent and Lucent Technologies Inc , as administrative agent The Grantor is a Borrower under the Credit Agreement The Lenders have agreed to extend credit to the Grantor and any other Borrowers pursuant to and subject to the terms and conditions specified in the Credit Agreement The obligations of the Lenders to extend credit under the Credit Agreement are conditioned upon among other things the execution and delivery by the Grantor of a security agreement in the form hereof to secure (a) the due and punctual payment by each Borrower of (i) the principal of and interest on the Loans, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise and (ii) all other monetary obligations of each Borrower to the Secured Parties under the Credit Agreement and (b) the due and punctual performance of all other obligations of each Borrower to the Secured Parties under the Credit Agreement and the other Loan Documents (all the foregoing obligations being collectively called the "Obligations")

Accordingly, the Grantor and the Collateral Agent hereby agree as follows

ARTICLE I

Definitions

SECTION 1 01 Terms Defined in the Credit Agreement Terms used herein and not otherwise defined herein shall have the meanings set forth in the Credit Agreement

SECTION 1 02 Definition of Certain Terms Used Herein As used herein the following terms shall have the following meanings

"Collateral" shall mean all (a) Equipment, (b) General Intangibles (but excluding General Intangibles to the extent that an assignment thereof would violate a restriction on assignment contained therein), and (c) Proceeds

"Credit Agreement" shall have the meaning assigned to such term in the preliminary statement of this Agreement

"Equipment" shall mean all equipment furniture and furnishings, and all tangible personal property similar to any of the foregoing including tools parts and supplies of every kind and description, and all improvements accessions or appurtenances thereto, in each case that are now owned or hereafter acquired by the Grantor The term Equipment shall also include Fixtures

"Fixtures" shall mean all items of Equipment, whether now owned or hereafter acquired of the Grantor that become so related to particular real estate that an interest in them arises under any real estate law applicable thereto

"General Intangibles" shall mean all choses in action and causes of action and all other assignable intangible personal property of the Grantor of every kind and nature now owned or hereafter acquired by the Grantor, including the Grantor's rights under the Supply Agreement and all intellectual property acquired by or granted to the Grantor pursuant to the Supply Agreement

"Obligations" shall have the meaning assigned to such term in the preliminary statement of this Agreement

"Proceeds" shall mean any consideration received from the sale, exchange, license lease or other disposition of any asset which constitutes Collateral, including any payment received from any insurer or other Person as a result of the destruction, loss theft damage or other involuntary conversion of whatever nature of any asset which constitutes Collateral, and shall include any and all other amounts from time to time paid or payable under or in connection with any of the Collateral

"Secured Parties" shall mean (a) the Lenders, (b) the Administrative Agent and the Collateral Agent in their capacities as such under each Loan Document and (c) the successors and assigns of the foregoing

"Security Interest" shall have the meaning assigned to such term in Section 2.01

SECTION 1 03 Rules of Interpretation The rules of interpretation specified in Section 1 03 of the Credit Agreement shall be applicable to this Agreement.

ARTICLE II

Security Interest

SECTION 2 01 Security Interest As security for the payment or performance, as the case may be, in full of the Obligations, the Grantor hereby bargains, sells, conveys, assigns, sets over, mortgages, pledges, hypothecates and transfers to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, and hereby grants to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, a security interest in, all of the Grantor's right, title and interest in, to and under the Collateral (the "Security Interest") Without limiting the foregoing, the Collateral Agent is hereby authorized to file one or more financing statements (including fixture filings, but only to the extent such fixture filings are required pursuant to Section 5 14(c) of the Credit Agreement (the "Fixture Filings")), continuation statements or other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the Security Interest granted by the Grantor without the signature of the Grantor, and naming the Grantor as debtor and the Collateral Agent as secured party

SECTION 2.02 No Assumption of Liability The Security Interest is granted as security only and shall not subject the Collateral Agent or any other Secured Party to, or in any way alter or modify any obligation or liability of the Grantor with respect to or arising out of any of the Collateral

ARTICLE III

Representations and Warranties

The Grantor represents and warrants to the Collateral Agent and the Secured Parties that:

SECTION 3 01 Title and Authority The Grantor has good and valid rights in and title to the Collateral and has full power and authority to grant to the Collateral Agent the Security Interest in the Collateral pursuant hereto and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the

consent or approval of any other Person other than any consent or approval which has been obtained

SECTION 3 02 Filings On or prior to the first Borrowing by the Grantor under the Credit Agreement, a Perfection Certificate with respect to the Grantor shall have been duly prepared, completed and executed and the information set forth therein shall be correct and complete. On or prior to the first Borrowing by the Grantor under the Credit Agreement, fully executed Uniform Commercial Code financing statements (including Fixture Filings, as applicable) or other appropriate filings, recordings or registrations containing a description of the Collateral shall have been filed of record in each governmental, municipal or other office specified in Schedule 5 to the Perfection Certificate, which are all the filings, recordings and registrations that are necessary to publish notice of and protect the validity of and to establish a legal valid and perfected security interest in favor of the Collateral Agent (for the benefit of the Secured Parties) in respect of all Collateral in which the Security Interest may be perfected by filing, recording or registration in the United States (or any political subdivision thereof) and its territories and possessions and no further or subsequent filing, refiling, recording, rerecording, registration or reregistration is necessary in any such jurisdiction, except as provided under applicable law with respect to the filing of continuation statements, provided that fixture filings will only be filed if required by Section 5 14(c) of the Credit Agreement

SECTION 3 03 Validity of Security Interest The Security Interest constitutes (a) a legal and valid security interest in all the Collateral securing the payment and performance of the Obligations and (b) a perfected security interest in all Collateral in which a security interest may be perfected by filing, recording or registering a financing statement or analogous document in the United States (or any political subdivision thereof) and its territories and possessions pursuant to the Uniform Commercial Code or other applicable law in such jurisdictions, provided that fixture filings will only be filed if required by Section 5 14(c) of the Credit Agreement. The Security Interest is and shall be prior to any other Lien on any of the Collateral except for Liens expressly permitted by the Credit Agreement that are prior to the Security Interest as a matter of law

SECTION 3 04 Absence of Other Liens The Collateral is owned by the Grantor free and clear of any Lien, except for Liens permitted under Section 6 03(b) of the Credit Agreement. The Grantor has not filed or

consented to the filing of any financing statement or analogous document under the Uniform Commercial Code or any other applicable laws covering any Collateral, except in respect of the Security Interest

ARTICLE IV

Covenants

SECTION 4 01 Collateral Schedules (a) Promptly following the delivery of each Borrowing Request by the Grantor under the Credit Agreement, the Grantor will deliver to the Collateral Agent (i) copies of all invoices paid or financed, in whole or in part, with the Loans resulting from such Borrowing Request together with such other information as shall be necessary to identify each item of Collateral financed thereby and (ii) a schedule indicating the Equipment User or Users that will lease use or otherwise possess such Collateral and the location or locations of such Collateral

(b) From time to time (but not less frequently than quarterly) the Grantor will deliver to the Collateral Agent (i) supplements to and corrections of the schedules and other information theretofore delivered to the Collateral Agent sufficient to enable the Collateral Agent to identify each item of Collateral, the jurisdiction in which it is located and the Equipment User that is leasing such Collateral and (ii) copies of all Equipment User Agreements and leases and subleases under which any Collateral is leased (to the extent not previously delivered to the Collateral Agent)

SECTION 4 02 Protection of Security The Grantor shall at its own cost and expense, take any and all actions necessary to defend title to the Collateral against all Persons and to defend the Security Interest of the Collateral Agent in the Collateral and the priority thereof against any Lien (except for Liens permitted under Section 6 03(b) of the Credit Agreement)

SECTION 4 03 Further Assurances The Grantor agrees, at its own expense, to execute, acknowledge, deliver and cause to be duly filed all such further instruments and documents and take all such actions as the Collateral Agent the Administrative Agent, or any Lender may from time to time reasonably request to better assure, preserve, protect and perfect the Security Interest and the rights and remedies created hereby, including the payment of any fees and taxes required in connection with the execution and

delivery of this Agreement, the granting of the Security Interest and the filing of any financing statements (including Fixture Filings) or other documents in connection herewith or therewith

SECTION 4 04 Inspection and Verification The Collateral Agent and such Persons as the Collateral Agent may reasonably designate shall have the right on reasonable advance notice during normal business hours at the Grantor's own cost and expense, to inspect the Collateral all records related thereto (and to make extracts and copies from such records) and the premises upon which any of the Collateral is located to discuss the Grantor's affairs with the officers of the Grantor and its independent accountants and to verify under reasonable procedures the validity, amount, quality quantity value, condition and status of or any other matter relating to, the Collateral, including in the case of Collateral in the possession of any third Person, by contacting the third Person possessing such Collateral for the purpose of making such a verification Subject to the provisions of Section 9 12 of the Credit Agreement the Collateral Agent shall have the absolute right to share any information it gains from such inspection or verification with any Secured Party and their agents and representatives

SECTION 4 05 Taxes, Encumbrances At its option, the Collateral Agent may discharge past due taxes, assessments, charges, fees, liens, security interests or other encumbrances at any time levied or placed on the Collateral and not permitted under the Loan Documents and may pay for the maintenance and preservation of the Collateral to the extent the Grantor fails to do so as required by the Credit Agreement or this Agreement, and the Grantor agrees to reimburse the Collateral Agent on demand for any payment made or any expense incurred by the Collateral Agent pursuant to the foregoing authorization, provided, however, that nothing in this Section 4 05 shall be interpreted as excusing the Grantor from the performance of, or imposing any obligation on the Collateral Agent or any Secured Party to cure or perform, any covenants or other promises of the Grantor with respect to taxes, assessments, charges, fees liens, security interests or other encumbrances and maintenance as set forth herein or in the Credit Agreement

SECTION 4 06 Continuing Obligations of the Grantor The Grantor shall remain liable to observe and perform all the conditions and obligations to be observed and performed by it under each contract, agreement or instrument relating to the Collateral, all in accordance with the terms and conditions thereof, and the Grantor

agrees to indemnify and hold harmless the Collateral Agent and the Secured Parties from and against any and all liability for such performance

SECTION 4.07 Use and Disposition of Collateral

The Grantor shall not make or permit to be made an assignment, pledge or hypothecation of the Collateral or grant any other Lien (except for Liens permitted under Section 6.03(b) of the Credit Agreement) in respect of the Collateral. The Grantor shall not make or permit to be made any transfer of the Collateral and the Grantor shall remain at all times in possession of the Collateral except that unless and until the Collateral Agent shall notify (which notice may be given by telephone if promptly confirmed in writing) the Grantor that an Event of Default shall have occurred and be continuing and that during the continuance thereof the Grantor shall not sell, convey, lease, assign, transfer or otherwise dispose of any Collateral, the Grantor may use and dispose of the Collateral in any lawful manner not inconsistent with the provisions of this Agreement or the Credit Agreement.

SECTION 4.08 Insurance and Related Matters

(a) The Grantor, at its own expense, shall maintain or cause to be maintained insurance covering physical loss or damage to the Collateral in accordance with the provisions of the Credit Agreement and this Agreement.

(b) The Grantor will, maintain, with financially sound and reputable insurance companies with AM Best's rating of A minus (A-) or better, All-Risk property insurance for the full replacement value of all Collateral. All policies of All-Risk property insurance maintained by or for the benefit of the Grantor with respect to the Collateral shall be (i) maintained in an amount not less than the full replacement value of all property thereof, with deductibles or self insured retention not exceeding \$100,000, and (ii) endorsed or otherwise amended to include a "standard" or "New York" lender's loss payable endorsement, in favor of and satisfactory to the Collateral Agent, which endorsement shall provide that the insurance carrier shall pay all proceeds otherwise payable to any Loan Party under such policies directly to the Collateral Agent. All such policies also shall provide that none of the Grantor, the Administrative Agent, the Collateral Agent nor any other party shall be a coinsurer thereunder and shall contain a "Replacement Cost Endorsement", without any deduction for depreciation, "mortgagee's interest"/"breach of warranty coverage" and such other provisions as the Administrative Agent or the Collateral Agent may reasonably require from time to time to protect the interests of the

Lenders Each such policy also shall provide that it shall not be canceled (i) by reason of nonpayment of premium except upon not less than 10 days' prior written notice thereof by the insurer to the Administrative Agent and the Collateral Agent (giving the Administrative Agent and the Collateral Agent the right to cure defaults in the payment of premiums) or (ii) for any other reason except upon not less than 30 days' prior written notice thereof by the insurer to the Administrative Agent and the Collateral Agent. The Grantor shall deliver to the Administrative Agent and the Collateral Agent upon not less than 30 days' prior written notice to the cancellation, modification or nonrenewal of any such policy of insurance, a copy of a renewal or replacement policy (or other evidence of renewal of a policy previously delivered to the Administrative Agent and the Collateral Agent) together with evidence satisfactory to the Administrative Agent and the Collateral Agent of payment of the premium therefor. The Grantor shall notify the Administrative Agent and the Collateral Agent immediately whenever any separate insurance concurrent in form or contributing in the event of loss with that required to be maintained under this Section is taken out by any Loan Party, and shall promptly deliver to the Administrative Agent and the Collateral Agent a duplicate original copy of such policy or policies.

(c) The Grantor irrevocably makes, constitutes and appoints the Collateral Agent (and all officers, employees or agents designated by the Collateral Agent) as the Grantor's true and lawful agent (and attorney-in-fact) for the purpose, during the continuance of an Event of Default, of making, settling and adjusting claims in respect of Collateral under policies of insurance, endorsing the name of the Grantor on any check, draft, instrument or other item of payment for the proceeds of such policies of insurance and for making all determinations and decisions with respect thereto. In the event that the Grantor at any time or times shall fail to obtain or maintain any of the policies of insurance required hereby or to pay any premium in whole or part relating thereto, the Collateral Agent may, without waiving or releasing any obligation or liability of the Grantor hereunder or any Event of Default, in its sole discretion, obtain and maintain such policies of insurance and pay such premium and take any other actions with respect thereto as the Collateral Agent deems advisable. All sums disbursed by the Collateral Agent in connection with this Section 4.08, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be payable upon demand, by the Grantor to the Collateral Agent.

(d) In the event of any casualty or other damage to, or any taking under power of eminent domain or by condemnation or similar proceedings of any property or asset constituting Collateral, then any and all Net Proceeds from such event shall be deposited with the Collateral Agent to the extent required by Section 5.15 of the Credit Agreement. Subject to the provisions of the Credit Agreement requiring that such Net Proceeds be applied to prepay Loans in the event of a Collateral Trigger Event, the Collateral Agent will hold such Net Proceeds and, provided that the Grantor elects to repair, restore or replace the affected property or asset in accordance with the definition of the term "Collateral Trigger Event" set forth in the Credit Agreement, the Collateral Agent will release such Net Proceeds from time to time to pay the costs of such repair, restoration or replacement, provided that (i) such repair restoration or replacement shall comply with the requirements set forth in such definition of "Collateral Trigger Event" and (ii) as a condition of any release of funds the Collateral Agent may require delivery of evidence reasonably satisfactory to it of compliance with such requirements. The Collateral Agent shall invest any portion of the funds held by it from time to time pursuant to this paragraph as directed in writing from time to time by the Grantor. Any such investment shall be made only in Temporary Cash Investments. shall be at the Grantor's risk and the earnings thereon shall be credited to the funds then held by the Collateral Agent hereunder for the Grantor's account. The Collateral Agent shall not be liable for any interest on uninvested funds. If any Event of Default occurs and is continuing the Collateral Agent may, in its discretion, apply any funds then held by it hereunder as provided in Section 6.02.

ARTICLE V

Power of Attorney

SECTION 5.01 Power of Attorney The Collateral Agent shall have the right, as the true and lawful agent and attorney-in-fact of the Grantor, with power of substitution for the Grantor and in the Grantor's name or otherwise for the use and benefit of the Collateral Agent and the Secured Parties upon the occurrence and during the continuance of an Event of Default (a) to receive, endorse, assign and/or deliver any and all notes, acceptances, checks, drafts, money orders or other evidences of payment relating to the Collateral or any part thereof, (b) to demand, collect, receive payment of, give receipt for and give discharges and releases of all or any of the Collateral, (c) to commence

and prosecute any and all suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect or otherwise realize on all or any of the Collateral or to enforce any rights in respect of any Collateral, (d) to settle, compromise, compound, adjust or defend any actions, suits or proceedings relating to all or any of the Collateral, and (e) to use, sell, assign, transfer, pledge, make any agreement with respect to or otherwise deal with all or any of the Collateral, and to do all other acts and things necessary to carry out the purposes of this Agreement, as fully and completely as though the Collateral Agent were the absolute owner of the Collateral for all purposes, provided, however, that nothing herein contained shall be construed as requiring or obligating the Collateral Agent or any Secured Party to make any commitment or to make any inquiry as to the nature or sufficiency of any payment received by the Collateral Agent or any Secured Party, or to present or file any claim or notice or to take any action with respect to the Collateral or any part thereof or the moneys due or to become due in respect thereof or any property covered thereby and no action taken or omitted to be taken by the Collateral Agent or any Secured Party with respect to the Collateral or any part thereof shall give rise to any defense, counterclaim or offset in favor of the Grantor or to any claim or action against the Collateral Agent or any Secured Party. It is understood and agreed that the appointment of the Collateral Agent as the agent and attorney-in-fact of the Grantor for the purposes set forth above is coupled with an interest and is irrevocable. The provisions of this Section shall in no event relieve the Grantor of any of its obligations hereunder or under the Credit Agreement with respect to the Collateral or any part thereof or impose any obligation on the Collateral Agent or any Secured Party to proceed in any particular manner with respect to the Collateral or any part thereof, or in any way limit the exercise by the Collateral Agent or any Secured Party of any other or further right which it may have on the date of this Agreement or hereafter, whether hereunder, under any other Loan Document by law or otherwise

ARTICLE VI

Remedies

SECTION 6.01 Remedies upon Default Upon the occurrence and during the continuance of an Event of Default, the Grantor agrees to deliver each item of Collateral to the Collateral Agent on demand, and it is agreed that the Collateral Agent shall have the right with or without legal process and with or without previous notice

or demand for performance, to take possession of the Collateral or any part thereof (at the same or different times) and without liability for trespass to enter any premises where the Collateral or any part thereof may be located for the purpose of taking possession of or removing the Collateral and, generally, to exercise any and all rights afforded to a secured party under the Uniform Commercial Code or other applicable law. Without limiting the generality of the foregoing, the Grantor agrees that the Collateral Agent shall have the right, subject to the mandatory requirements of applicable law, to sell or otherwise dispose of all or any part of the Collateral at public or private sale for cash, upon credit or for future delivery as the Collateral Agent shall deem appropriate. Upon consummation of any such sale the Collateral Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each such purchaser at any such sale shall hold the property sold absolutely, free from any claim or right on the part of the Grantor, and the Grantor hereby waives (to the extent permitted by law) all rights of redemption, stay and appraisal which the Grantor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

The Collateral Agent shall give the Grantor 10 days written notice (which the Grantor agrees is reasonable notice within the meaning of Section 9-504(3) of the Uniform Commercial Code as in effect in the State of New York or its equivalent in other jurisdictions) of the Collateral Agent's intention to make any sale of Collateral. Such notice, in the case of a public sale, shall state the time and place for such sale. Any such public sale shall be held at such time or times within ordinary business hours and at such place or places as the Collateral Agent may fix and state in the notice of such public sale. At any such sale, the Collateral or portion thereof to be sold may be sold in one lot as an entirety or in separate parcels, as the Collateral Agent may (in its sole and absolute discretion) determine. The Collateral Agent shall not be obligated to make any sale of any Collateral if it shall determine not to do so, regardless of the fact that notice of sale of such Collateral shall have been given. The Collateral Agent may without notice or publication adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. In case any sale of all or any part of the Collateral is made on credit or for future delivery, the Collateral so sold may be retained by the Collateral Agent.

until the sale price is paid by the purchaser or purchasers thereof, but the Collateral Agent shall not incur any liability in case any such purchaser or purchasers shall fail to take up and pay for the Collateral so sold and in case of any such failure, such Collateral may be sold again upon like notice. At any public (or, to the extent permitted by law, private) sale made pursuant to this Section, any Secured Party may bid for or purchase, free (to the extent permitted by law) from any right of redemption, stay valuation or appraisal on the part of the Grantor (all said rights being also hereby waived and released to the extent permitted by law) the Collateral or any part thereof offered for sale and may make payment on account thereof by using any Obligation then due and payable to such Secured Party from the Grantor as a credit against the purchase price and such Secured Party may upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to the Grantor therefor. For purposes hereof, a written agreement to purchase the Collateral or any portion thereof shall be treated as a sale thereof. The Collateral Agent shall be free to carry out such sale pursuant to such agreement and the Grantor shall not be entitled to the return of the Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Collateral Agent shall have entered into such an agreement all Events of Default shall have been remedied and the Obligations paid in full. As an alternative to exercising the power of sale herein conferred upon it the Collateral Agent may proceed by a suit or suits at law or in equity to foreclose this Agreement and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court-appointed receiver.

SECTION 6.02 Application of Proceeds The Collateral Agent shall apply the proceeds of any collection or sale of the Collateral, as well as any Collateral consisting of cash, as follows:

FIRST, to the payment of all costs and expenses incurred by the Administrative Agent or the Collateral Agent (in its capacity as such hereunder or under any other Loan Document) in connection with such collection or sale or otherwise in connection with this Agreement or any of the Obligations, including all court costs and the fees and expenses of its agents and legal counsel, the repayment of all advances made by the Collateral Agent or the Administrative Agent hereunder or under any other Loan Document on behalf of the Grantor and any other costs or expenses incurred in

connection with the exercise of any right or remedy hereunder or under any other Loan Document,

SECOND, to the payment in full of the Obligations (the amounts so applied to be distributed among the Secured Parties pro rata in accordance with the amounts of the Obligations owed to them on the date of any such distribution) and

THIRD to the Grantor, its successors or assigns, or as a court of competent jurisdiction may otherwise direct

Subject to the instructions of the Required Lenders the Collateral Agent shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Agreement. Upon any sale of the Collateral by the Collateral Agent (including pursuant to a power of sale granted by statute or under a judicial proceeding), the receipt of the Collateral Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof

ARTICLE VII

Miscellaneous

SECTION 7.01 Notices All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in Section 9.01 of the Credit Agreement

SECTION 7.02 Security Interest Absolute All rights of the Collateral Agent hereunder, the Security Interest and all obligations of the Grantor hereunder shall be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the Credit Agreement any other Loan Document any agreement with respect to any of the Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Credit Agreement or any other Loan Document or any other agreement or instrument, (c) any exchange release or non-perfection of any Lien on other collateral, or any release or amendment

or waiver of or consent under or departure from any guarantee, securing or guaranteeing all or any of the Obligations, or (d) any other circumstance which might otherwise constitute a defense available to, or a discharge of the Grantor in respect of the Obligations or this Agreement

SECTION 7 03 Survival of Agreement All covenants agreements representations and warranties made by the Grantor herein and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the Secured Parties and shall survive the making by the Lenders of the Loans, regardless of any investigation made by the Secured Parties or on their behalf and shall continue in full force and effect until this Agreement shall terminate

SECTION 7 04 Binding Effect This Agreement shall become effective when a counterpart hereof executed on behalf of the Grantor shall have been delivered to the Collateral Agent and a counterpart hereof shall have been executed on behalf of the Collateral Agent, and thereafter shall be binding upon the Grantor and the Collateral Agent and their respective successors and assigns, and shall inure to the benefit of the Grantor, the Collateral Agent and the other Secured Parties and their respective successors and assigns, except that the Grantor shall not have the right to assign or transfer its rights or obligations hereunder or any interest herein or in the Collateral (and any such assignment or transfer shall be void) except as expressly contemplated by this Agreement or the Credit Agreement

SECTION 7 05 Successors and Assigns Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party, and all covenants, promises and agreements by or on behalf of the Grantor or the Collateral Agent that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns

SECTION 7 06 Collateral Agent Appointed Attorney-in-Fact The Grantor hereby appoints the Collateral Agent the attorney-in-fact of the Grantor for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instrument which the Collateral Agent may deem necessary or advisable to accomplish the purposes hereof which appointment is irrevocable and coupled with an interest

SECTION 7 07 Collateral Agent's Fees and Expenses, Indemnification (a) The Grantor agrees to pay upon demand to the Collateral Agent the amount of any and all reasonable expenses, including the reasonable fees and expenses of its counsel and of any experts or agents, which the Collateral Agent may incur in connection with (i) the administration of this Agreement (ii) the custody or preservation of or the sale of collection from or other realization upon any of the Collateral, (iii) the exercise enforcement or protection of any of the rights of the Collateral Agent hereunder or (iv) the failure of the Grantor to perform or observe any of the provisions hereof

(b) Without limitation of its indemnification obligations under the other Loan Documents, the Grantor agrees to indemnify the Collateral Agent and the other Indemnitees against and hold each of them harmless from any and all losses, claims, damages, liabilities and related expenses, including reasonable counsel fees and expenses incurred by or asserted against any of them arising out of in any way connected with or as a result of, the execution delivery or performance of this Agreement or any claim, litigation, investigation or proceeding relating hereto or to the Collateral, whether or not any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee

(c) The provisions of this Section 7 07 shall remain operative and in full force and effect regardless of the termination of this Agreement or any other Loan Document, the consummation of the transactions contemplated hereby, the repayment of any of the Loans, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document, or any investigation made by or on behalf of the Collateral Agent or any Secured Party All amounts due under this Section 7 07 shall be payable on written demand therefor

(d) Notwithstanding the foregoing the obligations of the Grantor hereunder with respect to payment of fees, charges and disbursements of counsel will be limited to (i) Cravath, Swaine & Moore, special counsel to Lucent and the Administrative Agent (or such other single firm acting in such capacity from time to time), (ii) Sullivan & Cromwell, special counsel to the Collateral Agent (or such other single firm acting in such capacity from time to time), (iii) one other firm of counsel to the

Collateral Agent, the Administrative Agent and the Lenders in each jurisdiction and (iv) if necessary, special counsel to the Collateral Agent the Administrative Agent and the Lenders in such areas as telecommunications regulations

SECTION 7 08 GOVERNING LAW THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK

SECTION 7 09 Waivers, Amendment (a) No failure or delay of the Collateral Agent in exercising any power or right hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Collateral Agent hereunder and of the Collateral Agent the Administrative Agent and the Secured Parties under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provisions of this Agreement or any other Loan Document or consent to any departure by the Grantor therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) below and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Grantor in any case shall entitle the Grantor to any other or further notice or demand in similar or other circumstances

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except in accordance with Section 9 02 of the Credit Agreement

SECTION 7 10 WAIVER OF JURY TRIAL EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS. EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 7 10

SECTION 7 11 Severability In the event any one or more of the provisions contained in this Agreement should be held invalid illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby. The parties shall endeavor in good-faith negotiations to replace the invalid illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid illegal or unenforceable provisions.

SECTION 7 12 Counterparts This Agreement may be executed in two or more counterparts, each of which shall constitute an original but all of which when taken together shall constitute but one contract and shall become effective as provided in Section 7 04.

SECTION 7 13 Headings Article and Section headings used herein are for convenience of reference only are not part of this Agreement and are not to affect the construction of or to be taken into consideration in interpreting, this Agreement.

SECTION 7 14 Jurisdiction, Consent to Service of Process (a) The Grantor hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of any New York State court or Federal court of the United States of America sitting in New York City, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or the other Loan Documents, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Collateral Agent or any Secured Party may otherwise have to bring any action or proceeding relating to this Agreement or the other Loan Documents against the Grantor or its properties in the courts of any jurisdiction.

(b) The Grantor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or

the other Loan Documents in any New York State court or Federal court sitting in New York City. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 7.01. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 7.15 Termination. This Agreement and the Security Interest shall terminate when all the Obligations have been indefeasibly paid in full and the Lenders have no further commitment to lend under the Credit Agreement at which time the Collateral Agent shall execute and deliver to the Grantor at the Grantor's expense all Uniform Commercial Code termination statements and similar documents which the Grantor shall reasonably request to evidence such termination and release of the Security Interest. Any execution and delivery of termination statements or documents pursuant to this Section 7.15 shall be without recourse to or warranty by the Collateral Agent. If pursuant to Section 2.20 of the Credit Agreement, the Grantor ceases to be a "Borrower" under the Credit Agreement, the Grantor shall automatically be released from its obligations hereunder and the Security Interest in the Collateral of the Grantor shall be automatically released, provided that, if required by the Bank Credit Agreement, the Liens granted under this Agreement that secured the Obligations prior to the effectiveness of such release shall not terminate, but shall be assigned by the Collateral Agent. This Agreement and the Security Interest shall also be subject to termination or assignment as expressly provided in Sections 2.20 and 2.22 of the Credit Agreement.

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IN WITNESS WHEREOF, the parties hereto have duly
executed this Agreement as of the day and year first above
written

[NAME OF GRANTOR]

by

Name

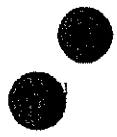
Title

BANK OF NEW YORK, as
Collateral Agent

by

Name

Title



T

Exhibit J

EXHIBIT J

Form of Officer's Compliance Certificate

Compliance Certificate

{For the Fiscal Quarter ending _____}

{For the Fiscal Year ending _____}

Reference is made to the Credit Agreement dated as of May 4, 2000 (as amended, amended and restated, supplemented or otherwise modified from time to time the "Credit Agreement"), among Winstar Communications, Inc., a Delaware corporation (the "Parent") WVP-I LLC Delaware limited liability company, any additional borrowers from time to time parties thereto each of the Lenders from time to time parties thereto Lucent Technologies Inc. as administrative agent for the Lenders and The Bank of New York as collateral agent for the Lenders. All capitalized terms not otherwise defined herein shall have the respective meanings given to them in the Credit Agreement. Pursuant to Section 5.01(e) of the Credit Agreement the undersigned authorized officer of the Bank Borrower hereby certifies on behalf of the Bank Borrower that:

(a) As of the date of the financial statements included in each report on Form [10-K] [10-Q] attached hereto and delivered concurrently to the Administrative Agent pursuant to Section 5.01 of the Credit Agreement, no event occurred or circumstance existed which constituted a Default or Event of Default except as follows: [detail any facts with respect thereto]

The financial statements referred to in Section 5.01 of the Credit Agreement which are delivered concurrently with the delivery of this Compliance Certificate fairly present the financial position, results of operations, cash flows and changes in stockholders' equity of the Parent and its consolidated subsidiaries, subject to normal year-end audit adjustments which are not expected to be material in amount.¹

(b) The covenant calculations set forth below for the Consolidated Group Members are based on the Parent's [audited] consolidated balance sheet and statements of

¹ Insert only in Compliance Certificates accompanying annual financial statements delivered pursuant to Section 5.01 of the Credit Agreement

earnings, cash flows and stockholders' equity for the fiscal [quarter] [year] ended _____, 20__ (the "Period-End Date") contained in the report on Form [10-K] [10-Q] attached hereto

[PHASE 1 FINANCIAL COVENANTS]

- 1 Maximum EBITDA Losses/Minimum EBITDA
(Section 6 07(a))

[during fiscal quarter] _____
- 2 Minimum Revenues (Section 6 07(b))

[fiscal quarter (calculated as of the last day of any fiscal quarter end and based on the results of the quarter then ended)] _____
- [3 Maximum Cash Capital Expenditures
(Section 6 07(c))¹

[during fiscal year] _____]
- 4 Maximum Consolidated Senior Secured Debt to Consolidated Total Capitalization
(Section 6 07(d))

[at any time for the purpose of calculating Consolidated Total Capitalization paid-in capital shall be given effect as of the date paid in] _____
- 5 Maximum Consolidated Total Debt to Consolidated Total Capitalization
(Section 6 07(e))

[at any time, for the purpose of calculating Consolidated Total Capitalization, paid-in capital shall be given effect as of the date paid in] _____
- 6 Maximum Consolidated Senior Secured Debt to Adjusted Gross PP&E (Section 6 07(f)) _____

¹ Insert only in Compliance Certificates accompanying annual financial statements delivered pursuant to Section 5 01 of the Credit Agreement

3

[at any time] _____

7 On-Network Hubs (Section 6 07(g))

[number for any fiscal quarter (as
calculated on the last day of any fiscal
quarter)] _____

8 On-Network Buildings (Section 6 07(h))

[number for any fiscal quarter
(calculated as of the last day of any
fiscal quarter end)] _____

[PHASE 2 FINANCIAL COVENANTS]

1 Consolidated Total Debt to
Consolidated Annualized EBITDA
(Section 6 08(a))

[for any fiscal quarter for the
fiscal quarter ending on such date] _____

2 EBITDA to Consolidated Interest
Expense (Section 6 08(b))

[for the last four consecutive fiscal
quarters immediately preceding any
date of determination] _____

3 Maximum Cash Capital Expenditures
(Section 6 08(c))

[annual amount] _____

[ADDITIONAL FINANCIAL COVENANTS]

1 Consolidated Senior Debt to
Consolidated Annualized EBITDA
(Section 6 09)

[for any day during the fiscal
quarter ending on such date] _____

2 EBITDA to Consolidated Debt Service
(Section 6 10)

[for the four consecutive fiscal
quarters ending on such date] _____

IN WITNESS WHEREOF on behalf of the Bank
Borrower the undersigned has hereto set his or her hand

Dated _____, _____

WCI CAPITAL CORP

by _____
Name [an authorized
officer]
Title

CERTIFICATE OF SERVICE

I, Jason M. Madron hereby certify that on May 1, 2006 I caused copies of the foregoing **Lucent Technologies Inc.'s Appendix - Volume II** to be served upon the following parties in the manner indicated:

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